

AGENDA ITEM #6  
March 29, 2011

## MEMORANDUM

March 25, 2011

TO: County Council

FROM: Linda McMillan, Senior Legislative Analyst 

SUBJECT: **ACTION: Housing Element of the General Plan**

### SUMMARY of PHED COMMITTEE RECOMMENDATION

The PHED Committee held worksessions on the Planning Board Draft of the Housing Element to the General Plan on January 20, March 7, March 14, March 15, and March 21, 2011. The PHED Committee's recommended Housing Element (clean copy) is attached at © 1-11. A bracketed and underscored version is attached at ©18-33 as an attachment to the draft approval resolution.

The Housing Element to the General Plan is intended to be a 20-year policy document that informs master plans, sector plans, and zoning text amendments. The PHED Committee noted that the Housing Element is not a rewrite of the zoning ordinance but a policy document.

The PHED Committee also discussed the need to update the County's Housing Policy. The Department of Housing and Community Affairs told the Committee the Executive would be able to forward a revised County Housing Policy to the PHED Committee this summer. The Housing Policy is a more detailed document that may include more specific strategies (including funding strategies), goals for housing production, and implementation. The PHED Committee recommends that the implementation table that was included in the Planning Board Draft of the Housing Element (©31-33) be deleted from the Housing Element but be revised for possible inclusion in the Housing Policy.

As a part of their worksessions the Housing Element the PHED Committee discussed:

- The Planning Board's intent to describe how most new development will be high density in transit-oriented and walkable communities while at the same time emphasizing the

need to preserve existing neighborhoods. The PHED Committee revised the Planning Board's first goal from "Conservation of the stable neighborhoods and the existing housing stock" to "Conservation and care of existing neighborhoods and the existing housing stock".

- The need for common definitions across County programs and documents for terms such as affordable housing and low, moderate, and middle income households. The Committee's recommended definitions for use in the Housing Element are at © 2.
- The PHED Committee added to the Strategic Framework (©5) the statement that the General Plan's Wedges and Corridors remains the framework for development in Montgomery County and that residential development will conform with wedges and corridors as refined in master plans and sector plans. (©5)

**This packet contains a summary of the public hearing testimony (©34) and the comments received since the public hearing (©50-54).** The most common concerns are the deletion of strategies from Objective #5 of 1993 Housing Element, "maintain and enhance the quality and safety of housing and neighborhoods" and the Planning Board's proposed policy to allow accessory apartments by right. **In response to the concern about 1993 Objective #5, the PHED Committee recommends the following policies regarding existing neighborhoods be included in the new Housing Element:**

**Policy 2.1** Strengthen the stability of established neighborhoods through targeted programs that improve schools, parks, safety, and new or upgraded pedestrian and bicycling facilities.

**Policy 2.4** Ensure that infill development complements existing houses and neighborhoods.

**Policy 2.5** Mix housing with other uses with special care in ways that promote compatibility and concern for residents' need for safety, privacy, and attractive neighborhoods.

**Policy 2.6** Provide for appropriate redevelopment of residential property when conditions warrant.

**Policy 2.7** Protect residential neighborhoods from excessive traffic and discourage spill-over parking from non-residential areas.

**Policy 2.9** Use special care to plan uses at the edges of high-density centers that are compatible with existing neighborhoods.

**Policy 2.17** Encourage deterioration of housing through diligent enforcement of housing codes.

**Policy 2.18** Enforce housing and zoning code to prevent overcrowding.

**The PHED Committee did not take a position on whether accessory apartments, child care, or adult day care facilities should be allowed by right as was recommended by the Planning Board. These Planning Board policies (©27; Policy 2.4 and Policy 2.7) have**

**been deleted. Instead, the PHED Committee recommends the following Policy 4.8 (©11),** “Review whether uses that contribute to diversity in housing and walkable transit oriented communities and are currently approved by special exception should be allowed by right if appropriate conditions and standards are in place.” The PHED Committee said it would consider a specific proposal for allowing accessory apartments by right but that such a decision should not be made as a part of the Housing Element.

**A table summarizing how the PHED Committee recommendations address the objectives and strategies included in the 1993 Housing Element is attached at © 12-15.**

- The PHED Committee discussed the proposed policies under Objective #3, “Housing and the Environment” (©10). The PHED Committee has amended Policy 3.1 to reflect the actions the County is already taking to require and encourage the use of green design and materials and improve energy efficiency. There was discussion about the need to have consistency across agencies about the impact of pervious pavers and their impact on stormwater management.
- In response to the Executive’s recommendations (©111-114) regarding the need for additional regulatory reform, the PHED Committee recommends the addition of Policies 4.9, 4.10, and 4.11 (©11). It was noted that there has been progress made in coordinating the review process and that these efforts need to continue.
- The Committee also discussed the recent changes in the housing market from the economic downturn and the increase in the demand for rental housing, both because some household that might have previously purchased a home are unable to do so and because many people are now choosing renting over owning a home. The PHED Committee has added the following to the Strategic Framework, **“The Planning Board, Executive, and Council should periodically review the supply and demand for rental and for-sale housing to determine if adjustments in housing policies or programs are needed to meet the needs of county residents.”**

## **Background**

The Planning Board transmitted its Draft of the Housing Element of the General Plan to the Council in July 2009. The Council held a public hearing on the Draft Housing Element on December 1, 2009. The Council was not able to schedule worksessions on the Housing Element immediately following the public hearing because of budget worksessions and worksessions on master plans. The Council then decided that discussion should wait so that the incoming Council (now the current Council) could review housing policy issues.

The current Housing Element was approved as a part of the 1993 General Plan refinement. Prior to that, the Housing Element was last approved in 1969.

- The Housing Element of the General Plan describes the county’s housing goals for **all types of housing** for all ranges of household income. It is not just an affordable housing policy.

- The Housing Element reflects the county’s intent regarding the desired balance of jobs and housing.
- The Housing Element must be consistent with the Wedges and Corridors concept that is the basis of the General Plan.
- Master plans and sector plans implement the policies of the Housing Element. Each master plan or sector plan is an amendment to the General Plan.

### **The 1993 Housing Element (116-121)**

The 1993 Housing Element update notes that from 1969 to 1992 employment in the county doubled and that a significant portion of county land had been developed. It also recognized the rising cost of housing in the county, the impacts of high-rise development, and the need to provide housing for people in all stages of life. **The overall goal is to, “Encourage and maintain a wide choice of housing types and neighborhoods for all people of all incomes, ages, lifestyles, and physical capabilities at appropriate densities and locations.”**

#### **The 1993 Housing Element contains six objectives:**

- 1) Promote variety and choice in housing of quality design and durable construction in various types of neighborhoods.
- 2) Promote a sufficient supply of housing to serve the County’s existing and planned employment and the changing needs of its residents at various stages of life.
- 3) Encourage housing near employment centers with adequate access to a wide variety of facilities and services. Support mixed-use communities to further this objective.
- 4) Encourage an adequate supply of affordable housing throughout the County for those living or working in Montgomery County, especially for households at the median income and below.
- 5) Maintain and enhance the quality and safety of housing and neighborhoods.
- 6) Concentrate the highest density housing in the Urban Ring and the I-270 Corridor, especially in the transit station locales.

There are strategies listed for each of the objectives. The strategies are fairly broad and can be refined in individual master or sector plans. For example, the stated strategies for Objective 2, “Promote a sufficient supply of housing to serve the County’s existing and planned employment and the changing needs of its residents at various stages of life” are:

- Provide adequate zoning capacity to meet the current and future housing needs of those who live or work in the County.
- Explore ways to improve the economic feasibility of housing development as compared to employment-related buildings.
- Phase mixed-use development so that housing is constructed in a timely fashion relative to other uses within the project.
- Develop additional techniques to provide housing opportunities to meet the special housing needs of young workers, the elderly, and persons with disabilities.
- Encourage employer assistance in meeting housing needs.
- Develop new techniques to provide housing, including incentives.

### **July 2009 Planning Board Recommended Housing Element**

The proposed Housing Element update restructures objectives and strategies and discusses in more detail implementation policies, such as funding for the Housing Initiative Fund. The Housing Element is written to be in place for 20 years. As background, the document notes that:

- 91% of the County’s residential zoning capacity (as of July 2009) has been reached. Less than 14,000 acres are available for green-field development (as opposed to redevelopment).
- By 2015 the County is projected to have more than 1 million residents.
- By 2030, the County is projected to need about 72,000 more housing units (to house 155,000 residents).
- Since 1999, rising home values have priced 50,000 existing housing units beyond the financial capacity of moderate-income households (assumes housing should be no more than 30% of income).
- There is a growing demand for rental housing.
- There is a need for increased housing for seniors, young households, large families, and people with special needs.

The Planning Board reviewed several studies during their worksessions on the Housing Element including an “Analysis of the Supply and Demand for Housing” completed in June 2008 (©122-140). The report looks at housing for all incomes and sizes of households and is not specifically focused on affordable housing for households at 70% or below area median income. It notes:

- There is a pent up demand for larger rental units – 86% of rental units in the county are one or two bedroom and there are only 268 four bedroom plus units in the county. The weighted average rent for a three-bedroom plus unit is \$1,780 which would require an income of \$71,200 to be considered affordable.

- Renters historically have paid a larger share of their household income towards housing costs – 41% of renters spend more than 30% of their income on rent versus 17% of owners
- There is a net shortage of 43,000 units in Montgomery County available to households earning less than \$90,000 a year, while there is a surplus of housing available to higher incomes, especially those earning more than \$150,000 per year. When household size is taken into account, there is an estimated overall shortage of 50,000 units over all income levels.

The report includes two policy implication statements. First, “Demand-side subsidies – rent vouchers, homebuyer tax breaks, foreclosure and other assistance – are expensive, and federal support for these measures has dwindled. County resources – especially when constrained by unstable property tax revenues – are unlikely to cover the expanding base of needs.” And, “Existing supply-side initiatives – chiefly inclusionary zoning – have worked very well in the past. Even so, these tools – including MPDUs, workforce and productivity housing – typically count on a robust housing market. These policies work less well when the market is cool – especially if other policies such as impact fees increase the costs or reduce potential operating income for developers.”

While the “Supply and Demand” study was completed in 2008, the 2010 Rental Facility Report prepared by the Department of Housing and Community Affairs also shows a tightening rental market. The overall vacancy rate for 2010 (as of April) was 3.7%, compared to 4.9% for 2009 (data is for 426 buildings and 72,382 units.) The vacancy rate for a 3-bedroom unit was 3.0% compared to 4.1% in 2009. The average turnover rent for market rate units increased by 1.5% to \$1,389 from 2009 to 2010. The average holdover rent for market rate units increased 3.1% to \$1,286.

## **Revised Goals and Objectives**

### **The Planning Board recommends 3 Goals:**

- 1) Conservation of the stable neighborhoods and the existing housing stock.
- 2) Concentrate new housing in mixed-use, transit oriented areas.
- 3) Close the housing affordability gap.

### **There are 4 objectives which each have a series of policies or strategies to achieve them:**

- 1) Concentrate most new housing near transportation and provide easy, multi-modal connections to jobs, schools, shopping, recreation, and other leisure activities.
- 2) Create diversity in the type and size of units, neighborhoods, facilities, and programs to accommodate current and future residents.
- 3) Provide economically and environmentally sustainable housing and neighborhoods.

- 4) Create more balanced, attractive, and walkable neighborhoods through regulatory reform of private developments and leadership in design of public projects.

The proposed Housing Element contains a chart that identifies the agency or party that should be responsible for achieving the objectives.

<b><u>Attached to this packet</u></b>	<b><u>Circle</u></b>
PHED Committee recommended amended Housing Element to the General Plan – clean copy with not brackets or underscore	1-11
Summary of how PHED Committee recommendations address the objectives included in the 1993 Housing Element	12-15
Resolution to Approve Housing Element of the General Plan with revisions. The resolution includes a bracketed and underscored version of the Planning Board Draft of the Housing Element	16-33
Summary of public hearing testimony	34
Public testimony public hearing	35-49
Summary of e-mails, letters, comments received since December 2009 public hearing	50-53
E-mails, letters, comments received since December 2009 public hearing	54-91
July 30, 2009 transmittal from Planning Board of their Draft Housing Element	92-110
County Executive comments and recommendations on the Draft Housing Element (9/29/2009)	111-114
County Executive Fiscal Impact Statement Planning Board Draft of the Housing Element	115
Housing Element of the 1993 General Plan	116-121
Analysis of Supply and Demand for Housing M-NCPPC Research and Technology Center June 26, 2008	122-140

## **Challenges and Goals**

Housing values in Montgomery County are among the highest in the Washington Metropolitan area. This reflects both strong demand and the County's reputation for providing a high quality of services, environment, and neighborhoods. While the strength of the housing market has under girded neighborhood stability and made a Montgomery home a sound investment, it has also produced a chronic shortage of housing that is affordable for much of the County's work force and other moderate and lower income households.

The County developed a landmark mandatory inclusionary zoning program, the Moderately Priced Dwelling Unit (MPDU) ordinance in the 1970s. This program was augmented in 2006 by a workforce housing program. The County has concurrently pursued an aggressive program to build publicly assisted housing. However, none of these efforts have been able to satisfactorily address the need for housing that a large segment of County residents and workers can afford.

The County population is forecasted to exceed one million by 2013 and to add 172,000 residents between 2010 and 2030, which means that the County will need 75,500 additional housing units in the next 20 years. Due to declining household size, households are expected to grow faster than the population, and many existing households will change their housing requirements. The greatest needs will be for seniors, young households, large families, and people with special needs—disabled residents, homeless individuals, and families. There will be strong and growing demand for rental units.

Only four percent of the County land zoned for development remains undeveloped (14,000 acres). That acreage includes environmentally sensitive areas, and most of it is scattered with few large assemblies. It is clear that County housing needs cannot be met by traditional patterns of low-density development that pushed ever outward. As transportation costs grow, the cost of commuting can cancel out any reduction in housing costs, not to mention the effect of increased travel miles on both air quality and roadway congestion. Moreover, growing concern for the environment and the need to reduce the carbon footprint of development are generating a major shift in both the supply and demand for housing. New housing must be developed by rethinking the future of the County's auto-oriented commercial strips and surface parking lots (most of them paved before modern stormwater management requirements existed), and by making the most of opportunities for housing near high quality transit service.

Thus, a combination of forces—a shrinking supply of developable land, higher land costs, rising energy prices, shifts in the County's demographic profile, and environmental constraints—direct us to housing policies that look inward rather than outward to accommodate the housing needs of the next generation for homes and communities that are balanced, convenient, and sustainable.

## Definitions

The following definitions are used in this element of the General Plan.

**Affordable Housing** – Housing is considered affordable when approximately 30%-35% of a household's gross income (for households earning up to 120% of area median income) is spent on rent or principal, interest, condominium or homeowners association fees, property taxes, and private mortgage insurance.

**Moderate income** – households earning between 50% and 80% of area median income (This is the United State's Department of Housing and Urban Development's definition of low income).

**Low Income** – households earning up to 50% of area median income (This is the United State's Department of Housing and Urban Development's definition of very low income and the County's definition for Low Income included in Chapter 25B of the County Code).

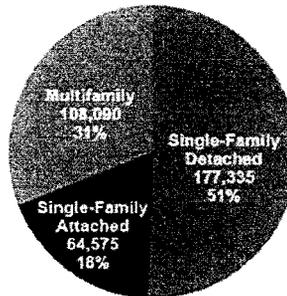
**Middle Income** – households earning between 80% and 120% of area median income. (This definition includes the income range for the County's voluntary Workforce Housing program.)

## Goals

### 1. Conservation and care of existing neighborhoods and the existing housing stock.

In the 20-year period covered by this element of the General Plan most County neighborhoods can expect to undergo normal turnover as homes change hands. But these small, incremental changes can, over time, produce significant impacts on the neighborhood as families with children replace empty nesters, renters replace owners, and newcomers need different services and facilities. Maintaining the quality of established neighborhoods is essential to sustaining the quality of their homes. Older neighborhoods of modest single-family and townhomes or garden apartments are especially vulnerable to decline if services are not adapted and maintained, and housing and zoning codes are not enforced. They are also susceptible to tear-down and infill development because they are often well-located in down-County and mid-County areas near employment and shopping centers, services, and public transit routes. These neighborhoods also contain the bulk of housing affordable to households with moderate and middle incomes in Montgomery County—over 140,000 affordable units in 2009. This is double the number of affordable new units that can reasonably be expected to be added to the housing stock by 2030. Master plans, in particular, must devote special attention to protecting existing neighborhoods.

*In 2005, about one-half of our households lived in single-family detached houses.*



### 2. Concentrate new housing in mixed-use, transit-oriented areas.

Large scale housing subdivision is nearing its end in Montgomery County. Most of the new housing that will be built during the years covered by this element of the General Plan will be multifamily buildings in mixed-use centers served by public transportation and in redeveloped commercial strips and malls. Higher densities and smaller units can combine with lower energy and transportation costs to bring the cost of living in the County within affordable ranges for many more residents, whether they are new to the area, acquiring a first home, or changing homes as their needs and circumstances change. Focusing growth in higher density, mixed-use, transit-oriented centers also meets other important planning objectives, including reducing the per capita carbon footprint of new growth, diversifying the housing stock, and creating vibrant pedestrian-oriented communities.

**3. Encourage and maintain a wide choice of housing types and neighborhoods for people of all incomes, ages, lifestyles, and physical capabilities at appropriate locations and densities. Implement policies to bridge any housing affordability gaps.**

Normal home value appreciation in a strong housing market such as Montgomery County's, loss of some moderately priced units to redevelopment, and loss of Moderately Priced Dwelling Units as their control period ends mean that the gap between supply and demand of units affordable to low, moderate, and middle income households must be monitored to see if adjustments should be made to policies or programs. Expected rates of new housing production cannot keep pace with price increases that remove existing units from the market and the need to provide housing to new residents of low and moderate incomes. In 2009, the County had a shortage of 43,000 units that were affordable for households earning less than \$90,000 a year (just below the 2009 County median income for a family of four), but that number approaches 50,000 when household size is taken into account. In contrast, a surplus of units was available to those with more than \$150,000 in annual household income. Projections completed in 2008, when housing prices were steadily appreciating, estimated that by 2030 it will be difficult for a household with an annual income of \$120,000 (in constant 2009 dollars) to afford a home in much of Montgomery County. By then, the gap in affordable housing is estimated to reach 62,000 units. This Housing Element recommends a series of public policy actions that should be taken to reduce the affordability gap.

**Housing Inventory 1920-1970**



## A Strategic Framework

A strategic framework for achieving these goals informs master planning, regulatory reform, public investments and expenditures, and engages the public, private, and independent sectors. It involves the following elements:

- The General Plan's **Wedges and Corridors** remains the framework for development in Montgomery County. This element of the General Plan expects all residential development to conform with Wedges and Corridors as refined by master plans and sector plans.
- **Master plans** must address existing and future housing needs with particular attention to protecting and enhancing neighborhoods that contain a substantial stock of affordable units and to increasing opportunities for a high jobs-housing ratio in areas served by public transportation. Housing should include units affordable to low, moderate, and middle income households.
- **Development regulations** should reflect the goals of providing housing near transit, jobs, and services; producing a wide and diverse range of affordable unit types and sizes; and reducing regulatory requirements and procedures that discourage production of affordable housing units. The Zoning Ordinance should be revised to clarify that housing affordable to low, moderate, and middle income households is a permitted use in all residential zones. Excessive or unnecessary barriers to the provision of affordable and special needs housing, such as parking or special exception requirements, should be removed. The regulatory system should link provision of housing to nonresidential development by encouraging mixed uses or a fee-in-lieu payment to the County's Housing Initiative Fund.
- **Sufficient revenue sources** are needed to maintain the Housing Initiative Fund, and to provide for rental assistance programs. Capital programming must be monitored by the Planning Board, County Executive, and County Council to ensure that funding is available for neighborhood stabilization and improvements, such as sidewalks, parks, and other facilities needed for high quality, non-auto mobility.
- **Appropriately located surplus public land** should be made available to public and nonprofit agencies for assisted or below market housing. Projects involving the redevelopment of public land or facilities, such as parking facilities, must provide more low, moderate, and middle income affordable housing than the minimum requirement.
- **Public agencies should collaborate** with and provide technical and/or other forms of assistance to housing cooperatives, faith-based organizations, neighborhood housing groups, and employers to provide for the production and preservation of affordable housing.
- The Planning Board, Executive, and Council should periodically **review the supply and demand for rental and for-sale** housing to determine if adjustments in housing policies or programs are needed to meet the needs of county residents.

Together, these strategies move Montgomery County toward a more sustainable future. The housing stock will be more diverse, more of it will be affordable for people of modest means, and a higher proportion of it will be built in walkable, mixed-use communities that have lower environmental impacts and smaller carbon footprints.

## **Objectives**

1. **Housing and Neighborhood Connectivity:** Concentrate most new housing near public transportation and provide easy, multi-modal connections to jobs, schools, shopping, recreation, and other leisure activities.
2. **Diverse Housing and Neighborhoods:** Create diversity in the type and size of units, neighborhoods, facilities, and programs to accommodate current and future residents.
3. **Housing and the Environment:** Provide economically and environmentally sustainable housing and neighborhoods.
4. **Housing and Neighborhood Design:** Create more balanced, attractive, and walkable neighborhoods through regulatory reform of private developments and leadership in design of public projects.

Achieving each objective will require reinforcing current policies and establishing new policies.

## Housing Strategies

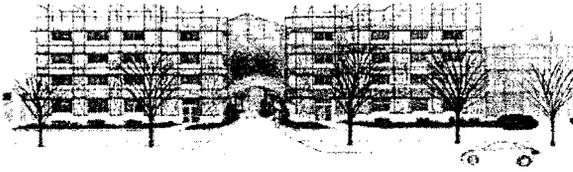


### Objective 1: Housing and Neighborhood Connectivity

Concentrate most new housing near public transportation and provide easy, multi-modal connections to jobs, schools, shopping, recreation, and other leisure activities.

#### Policies

- 1.1 Build the majority of new housing in transit-oriented locations and near jobs and employment centers.
- 1.2 Increase infill housing opportunities in suburban office parks, shopping centers, and other underused properties.
- 1.3 Coordinate infrastructure investment in existing and new neighborhoods to create a high level of mobility options that connect people to where they live, work, shop, and play.
- 1.4 As older strip commercial areas and surface parking lots are redeveloped, include housing and improve non-vehicular connectivity through the most direct pedestrian and bike routes between homes, jobs, retail, recreation, schools, and public services.



Objective 2:  
**Diverse Housing and  
Neighborhoods**

Create diversity in the type and size of units, neighborhoods, facilities, and programs to accommodate current and future residents.

**Policies**

- 2.1 Strengthen the stability of established neighborhoods through targeted programs that improve schools, parks, safety and new or upgraded pedestrian and bicycling facilities.
- 2.2 Make housing affordable to low, moderate, and middle income households a priority in all parts of the County.
- 2.3 Encourage neighborhood diversity with a range of unit sizes, types, and occupancy (including rental and ownership options).
- 2.4 Ensure that infill development complements existing houses and neighborhoods.
- 2.5 Mix housing with other uses with special care in ways that promote compatibility and concern for residents' need for safety, privacy, and attractive neighborhoods.
- 2.6 Provide for appropriate redevelopment of residential property when conditions warrant.
- 2.7 Protect residential neighborhoods from excessive traffic and discourage spill-over parking from non-residential areas.
- 2.8 Create mixed-use neighborhoods with local small retail businesses and basic services within walking distance of housing.
- 2.9 Use special care to plan uses at the edges of high-density centers that are compatible with existing neighborhoods.
- 2.10 Encourage shared parking facilities in high-density, transit-oriented, mixed-use developments to reduce parking and environmental costs in new housing construction. Encourage parking to be provided as a separately priced and purchased amenity in high density areas.
- 2.11 Continue the partnership between Montgomery County and the Housing Opportunities Commission to acquire vacated properties for affordable low, moderate, and middle income housing, including land donations from banks, grant programs, and other charitable groups.
- 2.12 Encourage housing cooperatives, faith-based organizations, neighborhood housing groups, and employers to use their existing property or to purchase land and buildings for the production and preservation of housing affordable to households with low and moderate incomes.
- 2.13 Provide underused and strategically located surplus public properties for housing that includes housing affordable to low and moderate income households at a higher percentage than required in the MPDU program.

- 2.14 Encourage projects that mix condominiums and rental units, allowing income restricted units to avoid high condominium fees.
- 2.15 Promote full inclusion of all ages, stages of life, and physical abilities by encouraging design and construction that incorporate visit-ability and live-ability features in new construction and major renovations.
- 2.16 Promote efforts to make it easier for seniors to stay in their homes as long as they desire. Develop programs and partnerships to help small households and seniors find and occupy housing that is right-sized for their needs, so that oversized homes do not become a burden and so the existing housing stock is available for appropriately sized households.
- 2.17 Discourage deterioration of housing through diligent enforcement of housing codes.
- 2.18 Enforce housing and zoning codes to prevent overcrowding.



Objective 3:  
**Housing and the  
Environment**

Provide economically and environmentally sustainable housing and neighborhoods.

**Policies**

- 3.1 Continue to adopt green and energy efficient building standards for new construction (such as the International Energy Conservation Code) and encourage the use of green and energy efficient design and materials in residential renovations and retrofits to create more sustainable housing, on-site energy production, and water conservation and re-use.
- 3.2 Reduce parking requirements for residential units near transit and within parking lot districts to decrease impervious surfaces and carbon emissions and increase affordability.
- 3.3 Consider appropriate incentives for the use of pervious pavers and other materials and strategies that reduce stormwater runoff. These techniques should mitigate the impact of allowable impervious surface rather than increase the footprint of development above what is currently permitted.
- 3.4 Encourage smaller housing units that can serve changing households and reduce energy costs.
- 3.5 Promote the use of federal, state, local, and private programs available for rehabilitating older housing units so that they are energy efficient and healthy.
- 3.6 Require best practices in stormwater management and grey water strategies, including green roofs, swales, and filtering combined with underground storage tanks for controlled release as well as reuse.
- 3.7 Require conservation of tree canopy and sustainable site design, including native plants and conservation landscaping techniques as well as soil decompaction strategies.
- 3.8 Invest in public infrastructure including transit, water and sewer, and stormwater management to keep neighborhoods healthy.



#### Objective 4.

### **Housing and Neighborhood Design**

Create more balanced, attractive, and walkable neighborhoods through regulatory reform of private developments and leadership in design of public projects. Ensure that the regulatory process does not pose barriers to housing production, especially for housing affordable to low, moderate, and middle income households.

#### Policies

- 4.1 Plan for transit-oriented neighborhoods that provide a full range of housing opportunities for all residents, including the work force employed in the transit corridor.
- 4.2 Facilitate the production of attractive housing and neighborhoods with innovative design of the public realm and architecture, including creative building techniques, materials, and mix of unit types.
- 4.3 Create design guidelines to help define quality public spaces and walkable communities.
- 4.4 Create pedestrian-oriented public spaces to support the needs of a diverse population.
- 4.5 Include housing affordable for low, moderate, and middle income households in all suitable public building projects in appropriate locations throughout the County.
- 4.6 Provide underused and strategically located surplus public properties for housing, using best design practices to set higher standards and achieve design excellence.
- 4.7 Encourage new and innovative construction techniques and products, such as green technologies and modular components.
- 4.8 Review whether uses that contribute to diversity in housing and walkable transit oriented communities and are currently approved by special exception should be allowed by right if appropriate conditions and standards are in place.
- 4.9 Expedite approval reviews for housing that meets the strategic objectives of affordability, environmental sustainability, and transit serviceability.
- 4.10 Continue efforts to consolidate sequential review and approval process into one coordinated, concurrent process.
- 4.11 Ensure that all master plan and sector plan amendments address the need for housing for low, moderate, and middle income households and promote specific strategies to meet that need including height and density incentives and flexibility.

The following table provides the objectives and strategies that are in the current (1993) Housing Element and how the PHED Committee's recommended Housing Element addresses these issues.

1993 Housing Element (General Plan)	March 2011 PHED Recommended
<p><b>OBJECTIVE #1 – Promote variety and choice in housing of quality design and durable construction in various types of neighborhoods.</b></p> <ul style="list-style-type: none"> <li>a. Permit increased flexibility in residential development standards to meet a broader range of needs and to foster more creative design.</li> <li>b. Expand opportunities for a variety of housing densities within communities to offer more choice to a broader economic range of households.</li> <li>c. Encourage the use of new and innovative housing construction techniques, including pre-fabrication components and housing units, to increase the supply and variety of housing types.</li> <li>d. Explore the feasibility of rural center in appropriate locations, such as the Residential Wedge.</li> <li>e. Assess the development review process to ways to streamline the process and to encourage creative housing design.</li> <li>f. Encourage both ownership and rental opportunities for all types of housing.</li> </ul>	<p>New Policy 4.11 is to ensure all master and sector plans address the need for affordable housing and promote specific strategies including height and density incentives and flexibility.</p> <p>New Policy 2.3 encourages neighborhood diversity with a range of unit sizes, types, and occupancies and Policy 2.14 encourages projects that mix condos and rental units.</p> <p>Policies in new Objective #4 call for regulatory reform of private developments and leadership in design of public projects. Policy 4.7 encourages new and innovative construction techniques and along with Policy 3.1 encourages green design and materials.</p> <p>Policies 4.8 and 4.9 address expedited review for housing that meets strategic objectives and continued efforts to consolidate sequential review.</p> <p>The Strategic Framework includes, "The Planning Board, Executive, and Council should periodically review the supply and demand for rental and for-sale housing to determine if adjustments in housing policies or programs are needed to meet the needs of county residents."</p>
<p><b>OBJECTIVE #2 – Promote a sufficient supply of housing to serve the County's existing and planned employment and the changing needs of its residents at various stages of life.</b></p> <ul style="list-style-type: none"> <li>a. Provide adequate zoning capacity to meet the current and future housing needs of those who live or work in the County.</li> <li>b. Explore ways to improve the economic feasibility of housing development as compared to employment-related buildings.</li> <li>c. Phase mixed-use development so that housing is constructed in a timely fashion relative to other uses within the project.</li> <li>d. Develop additional techniques to provide housing opportunities to meet the special housing needs of young workers, the elderly, and persons with disabilities.</li> </ul>	<p>In the Challenges and Goals section, the Housing Element discusses that only about 4% of land zoned for redevelopment remains undeveloped and that traditional low density zoning will not meet future demand. The Committee discussed that it may not be possible to provide housing for everyone who works in Montgomery County or wants to live in the County in the future.</p> <p>New Policy 2.15 promotes full inclusion of all ages, stages of life, and physical abilities through design and construction and Policy 2.16 promotes efforts to make it easier for seniors to stay in their home and programs and partnerships to help small households find right-sized housing.</p>

1993 Housing Element (General Plan)	March 2011 PHED Recommended
<p><b>Objective #2 Continued...</b></p> <ul style="list-style-type: none"> <li>e. Encourage employer assistance in meeting housing needs.</li> <li>f. Develop new techniques to provide housing, including incentives.</li> </ul>	<p>New Policy 2.12 encourages employers, along with other organizations and groups, to use existing property or purchase property for the production and preservation of affordable housing.</p> <p>The Strategic Framework discusses the need to find new revenue sources to maintain the Housing Initiative Fund and the need for collaboration to provide affordable housing. New Policy 4.11 discusses the need for height and density incentives and flexibility for project that provide for than the required amount of affordable housing.</p>
<p><b>OBJECTIVE #3 – Encourage housing near employment centers, with adequate access to a wide variety of facilities and services. Support mixed-use communities to further this objective.</b></p> <ul style="list-style-type: none"> <li>a. Assure the availability of housing near employment centers.</li> <li>b. Integrate housing with employment and transportation centers with appropriate community services and facilities, especially in transit stop locations.</li> <li>c. Examine County regulations and policies for opportunities for mixed-use development; develop additional options.</li> <li>d. Ensure a reasonable distribution of residential and commercial uses in mixed-use zones.</li> <li>e. Explore changing development standards to allow the closer integration of employment and housing within mixed-use developments.</li> <li>f. Encourage housing plans that foster transit serviceability.</li> <li>g. Encourage the provision of appropriate indoor and outdoor recreational and community facilities in multi-family and single-family residential development.</li> </ul>	<p>New Objective #1 and it's four policies address the need for new housing to be near transit and job and employment centers, the use of infill opportunities at office parks, shopping centers, the inclusion of housing as older strip commercial areas are redeveloped and improvements to connectivity of housing to jobs, retail, schools, and services.</p> <p>The Strategic Framework discusses the need for new revenues to fund sidewalks, parks, and other facilities needed to for high-quality, non-auto mobility.</p>
<p><b>OBJECTIVE #4 – Encourage an adequate supply of affordable housing throughout the County for those living or working in Montgomery County, especially for households at the median income and below.</b></p> <ul style="list-style-type: none"> <li>a. Encourage the provision of low, moderate, and median income housing to meeting existing and anticipated future needs.</li> <li>b. Distribute government-assisted housing equitably throughout the County.</li> </ul>	<p>Several policies within the new Objective #2 and Objective #4 address the need to focus efforts on providing housing that is affordable to households with low, moderate, and middle incomes. They include Policy 2.2, 2.11, 2.12, 2.13, 2.14, 4.5 and 4.11.</p>

1993 Housing Element (General Plan)	March 2011 PHED Recommended
<p>Objective #4 Continued...</p> <ul style="list-style-type: none"> <li>c. Plan affordable housing so that it is reasonably accessible to employment centers, shopping, public transportation, and recreational facilities.</li> <li>d. Encourage well-designed subsidized housing that is compatible with surrounding housing.</li> <li>e. Assure the provision of low- and moderate-income housing as part of large-scale development through a variety of approaches, including the Moderately Priced Dwelling Unit program.</li> <li>f. Preserve existing affordable housing where possible.</li> <li>g. Encourage development of affordable housing by the private market.</li> <li>h. Designate government-owned land, other than park-land, that meets appropriate housing site selection for future housing development.</li> <li>i. Identify County policies that have a burdensome effect on the cost of housing; find alternatives if possible.</li> <li>j. Encourage the provision of innovative housing types and approaches, such as single-room occupancy housing and accessory apartments, to meet the needs of lower income single persons and small households.</li> <li>k. Develop zoning policies that encourage the provision of affordable housing while protecting the Wedges and Corridors concept.</li> </ul>	<p>New Goal #1 – "Conservation and care of existing neighborhoods and the existing housing stock" states that these neighborhoods contain the bulk of housing affordable to households with moderate and middle incomes and calls for efforts maintain established neighborhoods.</p> <p>New Policy 2.13 and Policy 4.6 call for underused and strategically located surplus public property to be provided for housing that includes housing for households with low and moderate incomes at percentages higher than required in the MPDU program and use best design practices and achieve design excellence.</p> <p>Many polices in the PHED recommended Housing Element promotes a variety of unit types to meet low and moderate income households. This would include accessory apartments, registered living units, and single room occupancy. The PHED Committee is not recommended that any particular type of unit be allowed by right but that those currently approved as special exception could be reviewed. (Policy 4.8)</p> <p>PHED Committee added conformity to Wedges and Corridors to the Strategic Framework.</p>
<p><b>OBJECTIVE #5 – Maintain and enhance the quality and safety of housing and neighborhoods.</b></p> <ul style="list-style-type: none"> <li>a. Discourage deterioration of housing through well-funded code enforcement, neighborhood improvement programs, and other appropriate techniques.</li> <li>b. Ensure that infill development and redevelopment complements existing houses and neighborhoods.</li> <li>c. Mix housing with other uses with special care in ways that promote compatibility and concern for residents' need for safety, privacy, and attractive surroundings when introducing new uses into existing housing and neighborhoods.</li> </ul>	<p>This is now addressed through new Policy 2.17 that says "discourage deterioration of housing through diligent enforcement of housing codes", Policy 2.18, "Enforce housing and zoning codes to prevent overcrowding," and Policy 2.1 that says, "strengthen the stability of established neighborhoods through targeted programs that improve schools, parks, safety, and new or upgraded pedestrian and bicycling facilities."</p> <p>This policy is now Policy 2.4 under Objective 2, "Diverse Housing and Neighborhoods."</p> <p>This policy is now Policy 2.5. The end of the 1993 phrase has been slightly modified.</p>

1993 Housing Element (General Plan)	March 2011 PHED Recommended
<p>Objective #5 Continued...</p> <ul style="list-style-type: none"> <li>d. Provide for appropriate redevelopment of residential property when conditions warrant.</li> <li>e. Protect residential neighborhoods by channeling through traffic away from residential streets and discouraging spill-over parking from non-residential areas.</li> <li>f. Use special care to plan uses at the edges of high-density centers that are compatible with existing neighborhoods.</li> </ul>	<p>This policy is now Policy 2.6 under Objective 2, "Diverse Housing and Neighborhoods."</p> <p>This is now Policy 2.7 but has been modified to protect residential neighborhoods from "excessive traffic" rather than "through traffic."</p> <p>This policy is now Policy 2.9 under Objective 2, "Diverse Housing and Neighborhoods."</p>
<p><b>OBJECTIVE #6 – Concentrate the highest density housing in the Urban Ring and the 1-270 Corridor, especially in transit station locales.</b></p> <ul style="list-style-type: none"> <li>a. Designate appropriate, specific locations in sufficient amounts for higher density housing and mixed-use development in master plans.</li> <li>b. Modify County zoning regulations and other policies to improve the feasibility and attractiveness of higher density housing.</li> <li>c. Encourage air rights development in areas designated for higher densities.</li> <li>d. Encourage development of affordable, higher density housing in the vicinity of transit stations.</li> </ul>	<p><b>New Objective #1 Housing and Neighborhood Connectivity</b> says to "Concentrate most new housing near public transportation and provide easy, multi-modal connections to jobs, schools, shopping, recreation, and other leisure activities.</p> <p>The Strategic Framework calls for master plans to have a high-jobs housing ratio in areas served by transit. And Policy 1.1 calls for a majority of new housing to be built in transit-oriented locations.</p>

Resolution No.: \_\_\_\_\_  
Introduced: \_\_\_\_\_  
Adopted: \_\_\_\_\_

**COUNTY COUNCIL FOR MONTGOMERY COUNTY, MARYLAND  
SITTING AS A DISTRICT COUNCIL FOR THAT PORTION  
OF THE MARYLAND-WASHINGTON REGIONAL DISTRICT  
WITHIN MONTGOMERY COUNTY, MARYLAND**

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By: District Council

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Subject: Approval of Housing Element of the General Plan

Background

1. On July 30, 2009 the Montgomery County Planning Board transmitted to the County Executive and the County Council the Planning Board Draft of the Housing Element of the General Plan.
2. The Planning Board Draft Housing Element of the General Plan amends the Housing Element of the 1993 General Plan (on Wedges and Corridors) Refinement for the Physical Development of the Maryland-Washington Regional District in Montgomery and Prince George's Counties.
3. On September 29, 2009 the County Executive transmitted to the County Council his fiscal analysis of and suggested amendments to the Planning Board Draft of the Housing Element of the General Plan.
4. On December 1, 2009 the County Council held a public hearing regarding the Planning Board Draft of the Housing Element of the General Plan. The Housing Element was referred to the Planning, Housing, and Economic Committee for review and recommendation.
5. On January 20, March 7, March 14, March 15, and March 21, 2011 the Planning, Housing, and Economic Development Committee held worksessions to review the issues raised in connection with the Planning Board Draft of the Housing Element of the General Plan.
6. On March 29, 2011 the County Council reviewed the Planning Board Draft of the Housing Element of the General Plan and the recommendations of the Planning, Housing, and Economic Development Committee.

Action

The County Council for Montgomery County, Maryland, sitting as the District Council for that portion of the Maryland-Washington Regional District in Montgomery County, Maryland approves the following resolution:

The Planning Board Draft of the Housing Element to the General Plan dated July 2009 is approved with revisions. The County Council revises pages 6 through 18 of the Planning Board Draft as specified in

the attachment to this resolution. Deletions to the text of the Housing Element are indicated by [brackets] and additions by underscoring.

The Council requests that the Implementation table that is included in pages 16 through 18 of the Planning Board Draft of the Housing Element and that is deleted as a part of the Council's revisions, be updated by the County Executive and included in his draft housing policy that he expects to transmit to the Council in the summer of 2011.

This is a correct copy of Council action.

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Linda M. Lauer, Clerk of the Council

## Challenges and Goals

Housing values in Montgomery County are among the highest in the Washington Metropolitan area. This reflects both strong demand and the County's reputation for providing a high quality of services, environment, and neighborhoods. While the strength of the housing market has under girded neighborhood stability and made a Montgomery home a sound investment, it has also produced a chronic shortage of housing that is affordable for much of the County's work force and other moderate and lower income households.

The County developed a landmark mandatory inclusionary zoning program, the Moderately Priced Dwelling Unit (MPDU) ordinance in the 1970s. This program was augmented in 2006 by a workforce housing program. The County has concurrently pursued an aggressive program to build publicly assisted housing. However, none of these efforts have been able to satisfactorily address the need for housing that a large segment of County residents and workers can afford.

The County population is forecasted to exceed one million by 2013 and to add 172,000 residents between 2010 and 2030, which means that the County will need 75,500 additional housing units in the next 20 years. Due to declining household size, households are expected to grow faster than the population, and many existing households will change their housing requirements. The greatest needs will be for seniors, young households, large families, and people with special needs—disabled residents, homeless individuals, and families. There will be strong and growing demand for rental units.

Only four percent of the County land zoned for development remains undeveloped (14,000 acres). That acreage includes environmentally sensitive areas, and most of it is scattered with few large assemblies. It is clear that County housing needs cannot be met by traditional patterns of low-density development that pushed ever outward. As transportation costs grow, the cost of commuting can cancel out any reduction in housing costs, not to mention the effect of increased travel miles on both air quality and roadway congestion. Moreover, growing concern for the environment and the need to reduce the carbon footprint of development are generating a major shift in both the supply and demand for housing. New housing must be developed by rethinking the future of the County's auto-oriented commercial strips and surface parking lots (most of them paved before modern stormwater management requirements existed), and by making the most of opportunities for housing near high quality transit service.

Thus, a combination of forces—a shrinking supply of developable land, higher land costs, rising energy prices, shifts in the County's demographic profile, and environmental constraints—direct us to housing policies that look inward rather than outward to accommodate the housing needs of the next generation for homes and communities that are balanced, convenient, and sustainable.

## **[challenges and goals**

Housing values in Montgomery County are among the highest in the Washington Metropolitan area. This reflects both strong demand and the County's reputation for the high quality of services, environment, and neighborhoods. While the strength of the housing market has under girded neighborhood stability and made a Montgomery home a sound investment, it has also produced a chronic shortage of housing that is affordable for much of the County's work force and other moderate and lower income households.

- 91 percent of the County's residential zoning capacity has been reached.
- By 2015, the County will have more than one million residents.
- By 2030, the County will need about 72,000 new housing units.
- Since 1999, rising home values have priced 50,000 existing housing units beyond the financial capacity of moderate-income households.
- The current rate of affordable housing production cannot keep pace with price increases that are removing these units from the market.

Beginning in the 1970s, the County responded to this need with one of the nation's most successful and highly regarded inclusionary housing programs, the Moderately Priced Housing Unit (MPDU) ordinance, which required all new developments above a threshold number to provide a percentage of its units at prices affordable for households with incomes no greater than 60 percent of the area median. In 2005, the MPDU law was amended to lengthen to 99 years the period of time during which an MPDU home must remain available at a below market price when transferred to a new owner or tenant. In 2006, the County required that 10 percent of new market rate housing units built in areas served by Metro transit stations be available to "work force" households with incomes between 80 and 120 percent of the area median.

Neither of these programs, nor an aggressive program to build publicly assisted housing, have been able to meet the need for housing that a large segment of County residents and workers can afford within 30 percent of their annual household income.

- Affordable housing should cost no more than 30 percent of a household's gross annual income.
- The 2007 median income in Montgomery County for a household of four was \$94,500, which would allow a \$2,363 monthly mortgage payment on a house valued at about \$346,500.

County population is forecast to exceed one million by 2015, and to add 155,000 residents and 72,000 households between 2010 and 2030. Due to declining household size, households will grow faster than the population and many existing households will change their housing requirements. The greatest needs will be for seniors, young households, large families, and people with special needs—disabled residents, homeless individuals, and families. There will be strong and growing demand for rental units.

Aside from licensed multifamily rental apartments, in Montgomery County

there are:

- 13,500 registered single-family rental units
- 5,742 registered condo rental units
- 211 registered single-family accessory apartments.

Ninety-one percent of the County's residentially zoned land had been developed or approved for development by 2009. Less than 14,000 acres remain in the development envelope for green field development. It is clear that County housing needs cannot be met by traditional patterns of low-density development that pushed ever outward. As transportation costs grow, the cost of commuting can cancel out any reduction in housing costs, not to mention the effect of increased miles of travel on both air quality and roadway congestion. Moreover, growing concern for the environment and the need to reduce the carbon footprint of development are generating a major shift in both the supply and demand for housing. New housing must be developed by rethinking the future of the County's 106 auto-oriented commercial strips, and its 8,000 acres of surface parking lots (most of them paved before modern stormwater management requirements existed), and by making the most of opportunities for housing near high quality transit service.

Thus, a combination of forces—a shrinking supply of developable land, higher land costs, rising energy prices, shifts in the County's demographic profile, and environmental constraints—direct us to housing policies that look inward rather than outward to accommodate the housing needs of the next generation for homes and communities that are balanced, convenient, and sustainable.]

**Definitions**

The following definitions are used in this element of the General Plan.

**Affordable Housing** – Housing is considered affordable when approximately 30%-35% of a household's gross income (for households earning up to 120% of area median income) is spent on rent or principal, interest, condominium or homeowners association fees, property taxes, and private mortgage insurance.

**Moderate income** – households earning between 50% and 80% of area median income (This is the United State's Department of Housing and Urban Development's definition of low income).

**Low Income** – households earning up to 50% of area median income (This is the United State's Department of Housing and Urban Development's definition of very low income and the County's definition for Low Income included in Chapter 25B of the County Code).

**Middle Income** – households earning between 80% and 120% of area median income. (This definition includes the income range for the County's voluntary Workforce Housing program.)

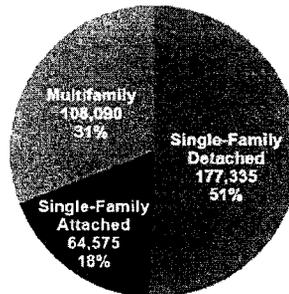
## Goals

### **1. Conservation and care of existing neighborhoods and the existing housing stock.**

[replaces "Conservation of the stable neighborhoods and the existing housing stock"]

In the 20-year period covered by this element of the General Plan most County neighborhoods can expect to undergo normal turnover as homes change hands. But these small, incremental changes can, over time, produce significant impacts on the neighborhood as families with children replace empty nesters, renters replace owners, and newcomers need different services and facilities. Maintaining the quality of established neighborhoods is essential to sustaining the quality of their homes. Older neighborhoods of modest single-family and townhomes or garden apartments are especially vulnerable to decline if services are not adapted and maintained, and housing and zoning codes are not enforced. They are also susceptible to tear-down and infill development because they are often well-located in down-County and mid-County areas near employment and shopping centers, services, and public transit routes. These neighborhoods also contain the bulk of housing affordable to households with moderate and middle incomes [affordable and workforce housing] in Montgomery County—over 140,000 affordable units in 2009. This is double the number of affordable new units that can reasonably be expected to be added to the housing stock by 2030. Master plans, in particular, must devote special attention to protecting existing neighborhoods.

*In 2005, about one-half of our households lived in single-family detached houses.*



### **2. Concentrate new housing in mixed-use, transit-oriented areas.**

Large scale housing subdivision is nearing its end in Montgomery County. Most of the new housing that will be built during the years covered by this element of the General Plan will be multifamily buildings in mixed-use centers served by public transportation and in redeveloped commercial strips and malls. Higher densities and smaller units can combine with lower energy and transportation costs to bring the cost of living in the County within affordable ranges for many more residents, whether they are new to the area, acquiring a first home, or changing homes as their needs and circumstances change. Focusing growth in higher density, mixed-use, transit-oriented centers also meets other important planning objectives, including reducing the per capita carbon footprint of new growth, diversifying the housing stock, and creating vibrant pedestrian-oriented communities.

**3. Encourage and maintain a wide choice of housing types and neighborhoods for people of all incomes, ages, lifestyles, and physical capabilities at appropriate locations and densities. Implement policies to bridge any housing affordability gaps.** [ replaces: Close the housing affordability gap.]

Normal home value appreciation in a strong housing market such as Montgomery County's, loss of some moderately priced units to redevelopment, and loss of Moderately Priced Dwelling Units as their control period ends mean that the gap between supply and demand of units affordable to low, moderate, and middle income households must be monitored to see if adjustments should be made to policies or programs. [of others as their period of MPDU price management expires makes closing the gap between the demand and supply of affordable and workforce housing an urgent concern. From 1999 to 2009, rising values alone priced 50,000 units of the existing housing stock beyond the financial capacity of moderate income buyers and renters.] Expected rates of new housing production cannot keep pace with price increases that remove existing units from the market and the need to provide housing to new residents of low and moderate incomes. In 2009, the County had a shortage of 43,000 units that were affordable for households earning less than \$90,000 a year (just below the 2009 County median income for a family of four), but that number approaches 50,000 when household size is taken into account. In contrast, a surplus of units was available to those with more than \$150,000 in annual household income. [If current trends continue.] Projections completed in 2008 when housing prices were steadily appreciating estimated that by 2030 it will be difficult for a household with an annual income of \$120,000 (in constant 2009 dollars) to afford a home in much of Montgomery County. By then, the gap in affordable housing is estimated to reach 62,000 units. This Housing Element recommends a series of public policy actions that should be taken to reduce the affordability gap.

**Housing Inventory 1920-1970**



## A Strategic Framework

A strategic framework for achieving these goals informs master planning, regulatory reform, public investments and expenditures, and engages the public, private, and independent sectors. It involves the following elements:

- The General Plan's **Wedges and Corridors** remains the framework for development in Montgomery County. This element of the General Plan expects all residential development to conform with Wedges and Corridors as refined by master plans and sector plans.
- **Master plans** must address existing and future housing needs with particular attention to protecting and enhancing neighborhoods that contain a substantial stock of affordable units and to increasing opportunities for a high jobs-housing ratio [including affordable housing] in areas served by public transportation. Housing should include units affordable to low, moderate, and middle income households.
- **Development regulations** should [be revised to require provision of] reflect the goals of providing housing near transit, jobs, and services; [to provide incentives for] producing a wide and diverse range of affordable unit types and sizes; and [to reduce] reducing regulatory requirements and procedures that discourage production of affordable housing units. The Zoning Ordinance should be revised to clarify that housing affordable to low, moderate, and middle income households [affordable housing] is a permitted use in all residential zones. Excessive or unnecessary barriers to the provision of affordable and special needs housing, such as parking or special exception requirements, should be removed. The regulatory system should link provision of housing to nonresidential development by encouraging mixed uses or a fee-in-lieu payment to the County's Housing Initiative Fund.
- **[New] Sufficient revenue sources** are needed to maintain the Housing Initiative Fund, and to provide for rental assistance programs. Capital programming must be monitored by the Planning Board, [and the] County Executive, and the County Council to ensure that funding is available for neighborhood stabilization and improvements, such as sidewalks, parks, and other facilities needed for high quality, non-auto mobility.
- **Appropriately located surplus public land** should be made available to public and nonprofit agencies for assisted or below market housing. Projects involving the redevelopment of public land or facilities, such as parking facilities, must provide more low, moderate, and middle income affordable housing than the minimum requirement.
- **Public agencies should collaborate** with and provide technical and/or other forms of assistance [and grants] to housing cooperatives, faith-based organizations, [and] neighborhood housing groups, and employers to provide for the production and preservation of affordable housing.

- The Planning Board, Executive, and Council should periodically review the supply and demand for rental and for-sale housing to determine if adjustments in housing policies or programs are needed to meet the needs of county residents.

Together, these strategies move Montgomery County toward a more sustainable future. The housing stock will be more diverse, more of it will be affordable for people of modest means, and a higher proportion of it will be built in walkable, mixed-use communities that have lower environmental impacts and smaller carbon footprints.

## Objectives

1. **Housing and Neighborhood Connectivity:** Concentrate most new housing near public transportation and provide easy, multi-modal connections to jobs, schools, shopping, recreation, and other leisure activities.
2. **Diverse Housing and Neighborhoods:** Create diversity in the type and size of units, neighborhoods, facilities, and programs to accommodate current and future residents.
3. **Housing and the Environment:** Provide economically and environmentally sustainable housing and neighborhoods.
4. **Housing and Neighborhood Design:** Create more balanced, attractive, and walkable neighborhoods through regulatory reform of private developments and leadership in design of public projects.

Achieving each objective will require reinforcing current policies and establishing new policies.

## Housing Strategies



Objective 1:  
**Housing and Neighborhood  
Connectivity**

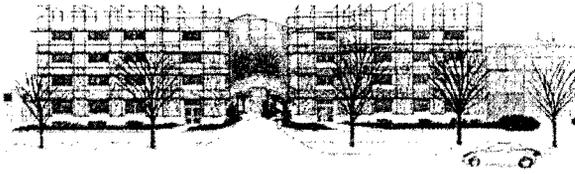
Concentrate most new housing near public transportation and provide easy, multi-modal connections to jobs, schools, shopping, recreation, and other leisure activities.

### Policies

- 1.1 Build the majority of new housing in transit-oriented locations and near jobs and employment centers.
- 1.2 Increase infill housing opportunities in suburban office parks, shopping centers, and other underused properties.
- 1.3 Coordinate infrastructure investment in existing and new neighborhoods to create a high level of mobility options that connect people to where they live, work, shop, and play.
- [1.4 Provide housing for County employees at or near their job sites, such as at schools, large parks, and other County facilities to reduce housing costs for employees as well as vehicle miles traveled.] **Deleted**
- 1.4 As older strip commercial areas and surface parking lots are redeveloped, include housing and improve non-vehicular connectivity through the most direct pedestrian and bike routes between homes, jobs, retail, recreation, schools, and public services.

Objective 2:

**Diverse Housing and Neighborhoods**



Create diversity in the type and size of units, neighborhoods, facilities, and programs to accommodate current and future residents.

Policies

- 2.1 Strengthen the stability of established neighborhoods through targeted programs that improve schools, parks, safety and [,] new or upgraded pedestrian and bicycling facilities.
- 2.2 Make housing affordable to low, moderate, and middle income households [affordable and workforce housing] a priority in all parts of the County.
- 2.3 Encourage neighborhood diversity with a range of unit sizes, types, and occupancy (including rental and ownership options).
- 2.4 Ensure that infill development complements existing houses and neighborhoods.
- 2.5 Mix housing with other uses with special care in ways that promote compatibility and concern for residents' need for safety, privacy, and attractive neighborhoods.
- 2.6 Provide for appropriate redevelopment of residential property when conditions warrant.
- 2.7 Protect residential neighborhoods from excessive traffic and discourage spill-over parking from non-residential areas.
- [2.4 Allow accessory apartments in residential zones by-right under appropriate design standards and conditions.] **Deleted**
- 2.[5] 8 Create mixed-use neighborhoods with local small retail businesses and basic services within walking distance of housing.
- 2.9 Use special care to plan uses at the edges of high-density centers that are compatible with existing neighborhoods.
- 2.[6] 10 Encourage shared parking facilities in high-density, transit-oriented, mixed-use developments to reduce parking and environmental costs in new housing construction. Encourage parking to be provided as a separately priced and purchased amenity in high density areas.
- [2.7 Encourage licensed child and adult daycare facilities in mixed-use developments; allow them by-right in appropriate high-density locations.] **Deleted**
- [2.8 Provide tax relief for income-eligible seniors beyond the homeowner's property tax credit so they can afford to stay in their neighborhoods as long as they desire.] **Deleted**
- 2.[9] 11 [Create a] Continue the partnership between Montgomery County and the Housing Opportunities Commission to acquire vacated properties for affordable [and workforce] low, moderate, and middle housing, including land donations from banks, grant programs, and other charitable groups.

- 2.[10] 12 Encourage housing cooperatives, faith-based organizations, neighborhood housing groups, and employers to use their existing property or to purchase land and buildings for the production and preservation of [affordable and workforce housing] housing affordable to households with low and moderate incomes.
- 2.13 Provide underused and strategically located surplus public properties for housing that includes housing affordable to low and moderate income households at a higher percentage than required in the MPDU program.
- 2.[11] 14 [Amend housing policies to] Encourage projects that mix condominiums and rental units, allowing income restricted units to avoid high condominium fees.
- 2.[12] 15 Promote full inclusion of all ages, stages of life, and physical abilities by encouraging design and construction that incorporate visit-ability and live-ability features in new construction and major renovations. [using standard accessibility features in all new or renovated housing.]
- 2.[13] 16 Promote efforts to make it easier for seniors to stay in their homes as long as they desire. Develop programs and partnerships to help small households and seniors find and occupy housing that is right-sized for their needs, so that oversized homes do not become a burden and so the existing housing stock is available for appropriately sized households.
- 2.17 Discourage deterioration of housing through diligent enforcement of housing codes.
- 2.[14] 18 Enforce housing and zoning codes to prevent overcrowding.



Objective 3:

### **Housing and the Environment**

Provide economically and environmentally sustainable housing and neighborhoods.

#### Policies

- 3.1 Continue to adopt green and energy efficient building standards for new construction (such as the International Energy Conservation Code) and encourage the use of green and energy efficient design and materials in residential renovations and retrofits to create more sustainable housing, on-site energy production, and water conservation and re-use.

[Require green and energy efficient design and materials to reduce operating and maintenance cost for residents and to create more sustainable housing by increasing the number of buildings and units built or retrofitted for energy efficiency, on-site energy production, and water conservation and reuse.] **Deleted**

- 3.2 Reduce parking requirements for residential units near transit and within parking lot districts to decrease impervious surfaces and carbon emissions and increase affordability.
- 3.3 [Provide stormwater management fee credits for] Consider appropriate incentives for the use of pervious pavers and other materials and strategies that reduce stormwater runoff. These techniques should mitigate the impact of allowable impervious surface rather than increase the footprint of development above what is currently permitted.
- 3.4 Encourage smaller housing units that can serve changing households and reduce energy costs.
- 3.5 [Provide tax credits] Promote the use of federal, state, local, and private programs available for rehabilitating older housing units so that they are energy efficient and healthy.
- 3.6 Require best practices in stormwater management and grey water strategies, including green roofs, swales, and filtering combined with underground storage tanks for controlled release as well as reuse.
- 3.7 Require [preservation] conservation of tree canopy and sustainable site design, including native plants and conservation landscaping techniques as well as soil decompaction strategies.
- 3.8 Invest in public infrastructure including transit, water and sewer, and stormwater management to keep neighborhoods healthy.



Objective 4.

**Housing and Neighborhood Design**

Create more balanced, attractive, and walkable neighborhoods through regulatory reform of private developments and leadership in design of public projects. Ensure that the regulatory process does not pose barriers to housing production, especially for housing affordable to low, moderate, and middle income households.

Policies

- 4.1 Plan for transit-oriented neighborhoods that provide a full range of housing opportunities for all residents, including the work force employed in the transit corridor.
- 4.2 Facilitate the production of attractive housing and neighborhoods with innovative design of the public realm and architecture, including creative building techniques, materials, and mix of unit types.
- 4.3 Create design guidelines to help define quality public spaces and walkable communities.
- 4.4 Create pedestrian-oriented public spaces to support the needs of a diverse population.
- 4.5 Include [affordable and workforce housing] housing affordable for low, moderate, and middle income households in all suitable public building projects in appropriate locations throughout the County.
- 4.6 Provide underused and strategically located surplus public properties for housing, using best design practices to set higher standards and achieve design excellence.
- 4.7 Encourage new and innovative construction techniques and products, such as green technologies and modular components.
- 4.8 Review whether uses that contribute to diversity in housing and walkable transit oriented communities and are currently approved by special exception should be allowed by right if appropriate conditions and standards are in place.
- 4.9 Expedite approval reviews for housing that meets the strategic objectives of affordability, environmental sustainability, and transit serviceability.
- 4.10 Continue efforts to consolidate sequential review and approval process into one coordinated, concurrent process.
- 4.11 Ensure that all master plan and sector plan amendments address the need for housing for low, moderate, and middle income households and promote specific strategies to meet that need including height and density incentives and flexibility.

## [Implementation

The recommendations of this report will be implemented through various mechanism and processes by a number of different entities. These recommendations may become a formal part of a master plan or sector plan, and subsequently become the subject of a federal or State program or grant. The improvements may be funded by a mix of local, State, and federal funds, as well as donations from the private sector. The development community may be involved in any or all stages of design and construction.

Residential infill, for example, can take place in existing residential communities, suburban office parks, older commercial strip shopping center, and through residential conversion of non-residential buildings. The County, M-NCPPC, HOC, the development community (profit and not-for-profit developers), State and federal agencies, and utilities would all have varying degrees of involvement and responsibility in achieving infill developments. The following chart shows the anticipated coordination linkages in a general way. It identifies only the lead responsibility by different entities even though all would have some level of involvement and role in achieving these recommendations.



According to Section 26-5 (a) of the Montgomery County Code, every dwelling unit must contain at least 150 square feet of habitable floor area for the first occupant and at least 100 square feet of habitable floor area for every additional occupant.

Attachment to Resolution No.

Interagency Coordination Matrix	MC	M-NCPPC	HOC	Developers	State	Federal	Utilities	Financial & Insurers
<b>Housing Goals</b>								
1. Conserve stable neighborhoods and existing housing stock	✓	✓						
2. Concentrate new housing in mixed-use, transit-oriented areas.	✓			✓				
3. Close the affordability gap	✓		✓					
<b>Objective 1: Housing and Neighborhood Connectivity</b>								
1.1 Build most new housing in transit-oriented, mixed-used locations.		✓		✓				
1.2 Increase infill housing opportunities...		✓						
1.3 Coordinate infrastructure investment in existing and new neighborhoods...	✓				✓		✓	
1.4 Provide housing for County employees at or near their job sites...	✓							
1.5 As older strip commercial areas and surface parking lots are redeveloped, include housing and improve non-vehicular connectivity...	✓	✓						
<b>Objective 2: Diverse Housing and Neighborhoods</b>								
2.1 Strengthen the stability of established neighborhoods through targeted programs...	✓							
2.2 Make affordable housing a priority in all parts of the County.	✓							
2.3 Encourage neighborhood diversity through a range of unit sizes, types, and occupancy...		✓						
2.4 Allow accessory apartments in residential zones by-right under appropriate design standards and conditions.		✓						
2.5 Create mixed-use neighborhoods with small retail businesses/basic services in walking distance of housing.		✓		✓				
2.6 Encourage shared parking facilities in mixed-use developments ... Allow parking to be provided as a separately priced and purchased amenity.	✓	✓						
2.7 Encourage child and adult day care facilities in mixed-use developments; allow them by-right in appropriate high-density locations.		✓						
2.8 Provide tax relief for income-eligible seniors above and beyond the homeowner's property tax credit program...	✓				✓			
2.9 Create a partnership between Montgomery County and the Housing Opportunities Commission to acquire vacated properties for affordable housing...	✓		✓					
2.10 Encourage housing cooperatives, faith-based organizations, and neighborhood housing groups to use their existing property or to purchase land and buildings for the production and preservation of affordable housing.	✓							✓
2.11 Amend housing policies to encourage housing projects that mix condominiums and rental units...	✓							✓

Interagency Coordination Matrix	MC	M-NCPPC	HOC	Developers	State	Federal	Utilities	Financial & Insurers
2.12 Promote full inclusion of all ages, stages of life, and physical abilities by using standard accessibility features in all new or renovated housing.	✓		✓	✓				
2.13 Develop programs to help small households and seniors find and occupy housing that is right-sized for their needs...	✓					✓		
<b>Objective 3: Housing and the Environment</b>								
3.1 Require green and energy efficient design and materials ... increasing the number of buildings and units built or retrofitted for energy efficiency, onsite energy production, and water conservation and reuse.	✓	✓				✓		
3.2 Reduce parking requirements for residential units near transit and within parking lot districts...	✓							
3.3 Provide storm water management credits for pervious pavers and other materials and strategies that reduce storm water runoff...	✓							
3.4 Encourage smaller housing units/serve changing households/reduce energy costs.				✓				✓
3.5 Provide tax credits for rehabilitation of older housing units so that they are energy-efficient and healthy.	✓				✓	✓		
3.6 Require best practices in stormwater management and grey water strategies, including green roofs, swales, and filtering ...	✓	✓						
3.7 Require sustainable site design...	✓	✓						
3.8 Invest in public infrastructure ...to keep neighborhoods healthy.	✓				✓		✓	
<b>Objective 4: Housing and Neighborhood Design</b>								
4.1 Plan for transit-oriented neighborhoods that provide a full range of housing opportunities...		✓		✓				
4.2 Facilitate the production of attractive housing and neighborhoods with innovative design of the public realm and architecture...		✓		✓				
4.3 Create design guidelines to help define quality public spaces and walkable communities.		✓						
4.4 Create pedestrian-oriented public spaces to support the needs of a diverse population.	✓			✓				
4.5 Include affordable housing in all suitable public building projects...	✓				✓	✓		
4.6 Provide underused and strategically located surplus public properties for housing...	✓							
4.7 Encourage new/innovative construction techniques/products, such as green technologies and modular components.	✓						✓	

## Summary of Public Hearing Testimony (December 2009)

The Council held a public hearing on the proposed Housing Element on December 1, 2009. Written testimony from the hearing and additional testimony received is attached.

The **County Executive** generally supports the update but recommends a 5<sup>th</sup> objective, "Housing and Land Use, Zoning, and Development Approval." The objective would address the regulatory and approval process of the County agencies, including the Planning Board. The Executive believes this objective will also provide guidance on the Zoning Code re-write. The Executive also suggests Objective 2 discuss barriers to housing including unfair lending practices, awareness of fair housing rules, and a lack of testing information on fair housing.

The **Montgomery County Civic Federation** suggests that an important objective of the Housing Element should be the "preservation of existing affordably priced housing, both government-controlled and free market." They also testified that an equally important objective "should be the preservation of the character and quality of life in existing neighborhoods." The Civic Federation also supports maintaining the Special Exception process for approval of accessory apartments and believes including a strategy to allow them by right circumvents a county policy debate.

The **Hillandale Citizens Association** notes the issues facing older communities. The Association also objects to changing the approval process for accessory apartments. They suggest that the goal of concentrating new housing in transit oriented areas should look at achieving a jobs/housing balance and assessing transit quality, noting that local routes are insufficient to serve high-density, mixed income communities well.

The **Housing Opportunities Commission** generally supports the revision but notes that the revision omits the objective, "Promote a sufficient supply of housing to serve the County's existing and planned employment..." It notes that it is particularly important that lower income workers have housing near their jobs. HOC also notes that the revision calls for the creation of a partnership between Montgomery County and HOC when one already exists.

**David Freishtat of Shulman, Rogers** requests that the Housing Element define a senior adult as someone aged 55 or older and that this definition be consistent for housing purposes. He notes current inconsistencies in the zoning ordinance.

**The Norbeck Meadows Civic Association, Greater Olney Civic Association, Cherrywood Homeowners Association, and Louis Wilen** provided comments in opposition to changing the current Special Exception approval process for accessory apartments.

Testimony of Scott W. Reilly  
on the Housing Element of the General Plan  
Montgomery County Council  
December 1, 2009

Good afternoon. For the record, I am Scott Reilly, Chief Operating Officer, Department of Housing and Community Affairs, testifying on behalf of County Executive Ike Leggett.

The County Executive is pleased that a number of the issues identified by his Affordable Housing Task Force are addressed in the draft Housing Element. The Task Force report included recommendations on:

- preserving the County's existing affordable housing stock,
- creating new affordable housing, and
- adopting regulatory reform, especially mitigation of the expensive and time consuming development approval process.

The Executive Branch supports the Element's Policy Goals that encourage co-location of housing with public facilities. We recommend adding a provision that where the County is pursuing housing co-located or adjacent to a public facility, the residential density from the public facility portion of the site may be transferred to, or reserved for, the residential component.

Despite our comments to the Board, the Plan has not addressed a significant issue affecting housing production – the regulatory and approval processes of the County agencies themselves, including the Planning Board.

A recommendation in the Affordable Housing Task Force report is the streamlining of the development approval process and removal of barriers to housing production, especially affordable housing. The Executive recommends that a fifth objective be added to the Housing Element to address these concerns.

We would title it: Housing and Land Use, Zoning, and Development Approval. Policy Goals for the objective include the following:

- 5.1 Expedite approval reviews for housing that meets strategic objectives of affordability, environmental sustainability, and transit serviceability.
- 5.2 Consolidate sequential review and approval processes into one coordinated, concurrent process.
- 5.3 Provide incentives, including height and density, to promote appropriately designed and priced housing.
- 5.4 Allow sectional map amendments that address changing community and market conditions to proceed independently of time consuming master plan and sector plan amendments.
- 5.5 Ensure that all master plan and sector plan amendments address the need for additional affordable housing, and promote specific strategies to meet that need.
- 5.6 Allow flexibility in meeting site plan requirements commensurate with the provision of affordable housing in excess of minimum requirements.

While we are encouraged that the Planning Board has begun a rewrite of the Zoning Ordinance and is looking at overhauling its regulatory processes, we believe that this fifth objective will provide guidance to both efforts.

We also believe that Objective 2, Diverse Neighborhoods and Housing, should note that there are additional impediments to accessing housing. These barriers include unfair lending practices, the lack of awareness of fair housing matters, and a shortage of testing information on fair housing in Montgomery County.

With these additions and amendments, and those in the County Executive's written comments, we believe that the new Housing Element will be a valuable tool in promoting and directing housing production, including affordable housing, as the County approaches buildout. Thank you for the opportunity to bring these issues to your attention.

S:\Files\recurring\Director\Scott\Planning\Housing Element\Housing Element Testimony at MCC-12-01-09.doc



**MONTGOMERY COUNTY PLANNING BOARD**  
THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

**OFFICE OF THE CHAIRMAN**

December 1, 2009

The Honorable Nancy Floreen  
President  
Montgomery County Council  
Stella B. Werner Council Office Building  
100 Maryland Avenue  
Rockville, Maryland 20850

Re: Public Hearing of the Housing Element of the General Plan

Dear Ms. Floreen:

On behalf of the Planning Board, I am pleased to enter these comments into the record.

The Planning Board recommends the Council adopt the proposed Housing Element of the General Plan, which brings the housing goals of the County's General Plan into alignment with the County's current housing priorities and with recent housing legislation and initiatives at the state and federal levels.

The Housing Element makes recommendations for housing in the County and identifies the policy objectives, regulatory reforms, and land use strategies needed to accomplish the recommendations. It satisfies the requirement of the House Bill 1160, which requires a local government to have a comprehensive plan with a workforce housing element as a prerequisite to participation in the Workforce Housing Grant Program established by that bill.

The proposed plan addresses several key housing challenges we will face in the future. High housing values in the County reflect strong demand as well the County's reputation for high quality of services and stable neighborhoods. The negative side of this robust housing market is a chronic shortage of housing that is affordable for much of the County's workforce and for other moderate and lower income households. The County is forecasted to exceed one million persons by 2015, and to add about 72,000 households between 2010 and 2030. The greatest housing need will be for seniors, young households, large families, and people with special needs. This need will be accompanied by a growing demand for rental units.

We cannot solve our housing problems with policies that reinforce traditional patterns of low density sprawled development. The proposed document encourages new strategies designed to successfully accommodate the next generation's demand for homes and communities that

The Honorable Nancy Floreen  
Housing Element of the General Plan  
December 1, 2009  
Page Two

are balanced, convenient, and sustainable. In addition to conserving existing affordable housing, new housing strategies must be developed that offer a smarter future vision for the County's 106 auto-oriented commercial strips, that rethink its 8,000 acres of surface parking lots, and that optimize opportunities for housing near high quality transit service.

The Housing Element identifies master plans, development regulations, new revenue sources, use of appropriately locate surplus public land, and collaboration among public agencies as the essential components of a strategic framework necessary to achieve the goal of adequate housing supply for the County's future population. It is the result of more than two years of public review process, research, interagency work sessions, and numerous meetings with representatives of community and development groups. A public hearing was held on April 23, 2009. Subsequently, the Planning Board held two work sessions, on June 18th and the July 23rd, and unanimously approved the proposed draft of the Housing Element for the final review and approval by the County Executive and the Council.

The Planning Board anticipates significant public and private sector coordination will be required for successful implementation of the Housing Element. We look forward to working with the Council in the months ahead, and we thank you for providing the leadership needed to reach our goals.

Sincerely,



Royce Hanson  
Chairman



December 1, 2009

5104 Elm St., Bethesda MD 20814 (301)652-6359 email - theelms518@earthlink.net

MONTGOMERY COUNTY CIVIC FEDERATION TESTIMONY TO COUNTY COUNCIL ON DRAFT REVISION OF THE HOUSING ELEMENT OF THE GENERAL PLAN

I am Jim Humphrey, testifying on behalf of the Montgomery County Civic Federation. At their meeting on November 9, Federation delegates unanimously approved the following position on the draft revision of the Housing Element of the General Plan:

"The Federation members believe that an important objective of the Housing Element should be the preservation of existing affordably priced housing, both government-controlled and free market available sale and rental units, while insuring units are maintained in good condition. This is a specific goal in the current Housing Element (Objective 4 - Strategy F, 1993 General Plan Refinement). Instead, a half-hearted recommendation to 'make affordable and workforce housing a priority' is buried as the 7th of 34 policy strategies in the document, with no specifics as to how this should be done. The most affordable housing units are those that already exist, since housing on redeveloped sites is almost always priced higher than that which currently exists. In addition, in environmental terms, existing housing has a smaller carbon footprint than redeveloped housing, regardless of how energy efficient that new housing may be.

"A second and equally important objective of the new Housing Element should be the preservation of the character and quality of life of existing neighborhoods. One of the six Objectives in the Housing chapter of 1993 General Plan Refinement is to protect existing residential neighborhoods, with 6 specific strategies identified to achieve that objective; but, all of these references have been removed in the proposed revision. We believe the objective of protecting single-family home neighborhoods, which occupy 72% of the developed land in the county, should be retained in any revision of the Housing Element. And we believe a new strategy should be added to the revision, recommending the creation and application of standards necessary to preserve the character of residential neighborhoods and insure the compatibility of infill projects with that character.

"MCCF delegates believe the proposed strategy to 'allow accessory apartments in residential zones by-right under appropriate design standards and conditions' [Strategy 2.1] is an attempt to circumvent a county policy debate that has yet to take place. The Federation strongly supports retention of the current Special Exception process for approval of accessory apartments."

On the reverse of this page, we have included the sections of the current Housing Goals chapter that we believe should be retained and strengthened in any revision you approve. Thank you.

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Federation delegates believe the following Housing Objectives and Strategies, which are currently in effect in the 1993 General Plan Refinement, should be retained and strengthened in any revision of the Housing Element:

**HOUSING OBJECTIVES & STRATEGIES** from Housing Goals chapter currently in effect (1993 General Plan Refinement, approved by County Council in November 1993)

**OBJECTIVE 4**

Encourage an adequate supply of affordable housing throughout the County for those living or working in Montgomery County, especially for households at the median income and below.

Strategies

\* \* \*

F. Preserve existing affordable housing where possible.

**OBJECTIVE 5**

Maintain and enhance the quality and safety of housing and neighborhoods.

Strategies

A. Discourage deterioration of housing through well-funded code enforcement, neighborhood improvement programs, and other appropriate techniques.

B. Ensure that infill development and redevelopment complements existing housing and neighborhoods.

C. Mix housing with other uses with special care in ways that promote compatibility and concern for residents' needs for safety, privacy, and attractive surroundings when introducing new uses into older neighborhoods.

D. Provide for appropriate redevelopment of residential property when conditions warrant.

E. Protect residential neighborhoods by channeling through traffic away from residential streets and discouraging spill-over parking from non-residential areas.

F. Use special care to plan uses at the edges of high-density centers that are compatible with existing neighborhoods.

Hillandale Citizens Association  
December 1, 2009  
Testimony for Montgomery County Council  
Amendment to the Housing Element of the Montgomery County General Plan

The three basic goals of the Housing Element, conservation of stable neighborhoods, concentration of housing in mixed-use, transit oriented areas and closing the affordability gap are laudable goals which all Montgomery can appreciate as we look to the future. However, beneath the surface of these goals, there are contradictory recommendations and a lack of clarity.

Hillandale is an older, just-at-the-Beltway, just-at-the-county-line community comprised of modest homes. Our area is very inclusive, with a mix of single-family homes, garden and high-rise apartment complexes. Our schools are highly challenged. Hillandale's single-family neighborhoods have rented homes, accessory apartments, registered living units, and rented rooms. We have group homes for the developmentally disabled and small assisted-living care homes. We also have home-based businesses. We have a lot of community pride and concern for our neighborhood. We are part of the East County, the MCPS Red Zone, and our perspective is different from the generalized overview provided in the Housing Element.

We welcome the acknowledgement that older neighborhoods, like Hillandale, are vulnerable to decline if services are not maintained and codes are not enforced. Unfortunately, the recommendation to eliminate the special exception requirement for accessory apartments contradicts that goal. The special exception process has worked well for Hillandale. Our most recent case (S-2728) started as an overcrowding complaint. Through the documentation and hearing process, a number of difficult issues were resolved resulting in a marked improvement rather than a deteriorating situation. The Board of Appeals provides the best venue to bridge cultural and attitudinal differences. This is markedly different from the unsatisfactorily resolved situations resulting from DHCA-only administered registered living units. **If the county's goal is to increase affordable housing in the least costly way and without causing neighborhood decline, we ask Council to modify this Housing Element and reinforce the long-standing county policy to allow accessory apartments by special exception.**

**The goal of concentrating new housing in transit-oriented areas needs to include two additional policies: (1) achieving a jobs/housing balance, and (2) assessing transit quality.** In Hillandale, you can see the Beltway at a standstill every morning. If there were more jobs locally, if there was a jobs/housing balance, there would be less long distance commuting. And, although several transit routes serve our area, these local routes are insufficient to serve a bigger high-density, mixed-income community well. The county needs to define transit quality and specify transit development areas better than the currently defined 10-minute headway. Marginal transit centers and crossing Ride-On routes should not be the qualifying criteria for a project to be designated transit-oriented and ready for high-density residential development.

Regarding the final goal of closing the housing affordability gap, **much of MNCPPC's data does not reflect the recent historic change in the real estate market, or the fact that according to DHCA, the county now has large pockets of "naturally-occurring affordable housing."** With this new reality, **the county needs to institute policies to achieve economically integrated communities.** Affordable housing projects should be located to seek geographical balance based on the existing housing mix. With an analysis to prioritize areas, a more equitable countywide dispersal of affordable housing could result. This would be healthy for individual communities, schools and the entire county.

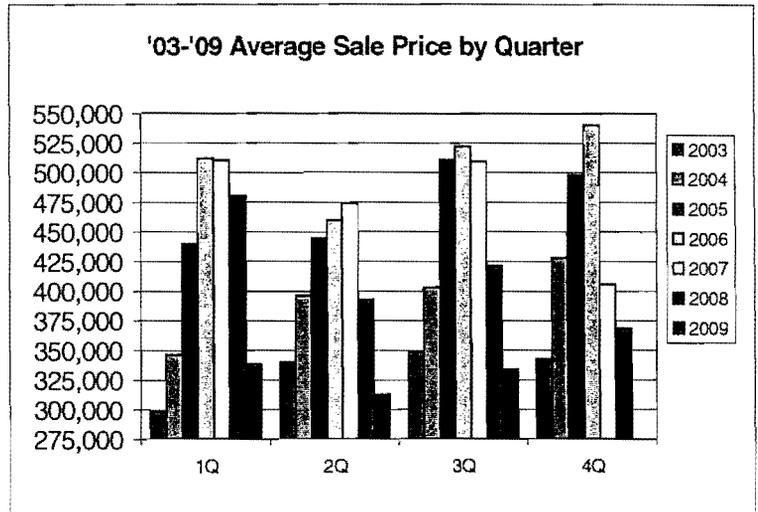
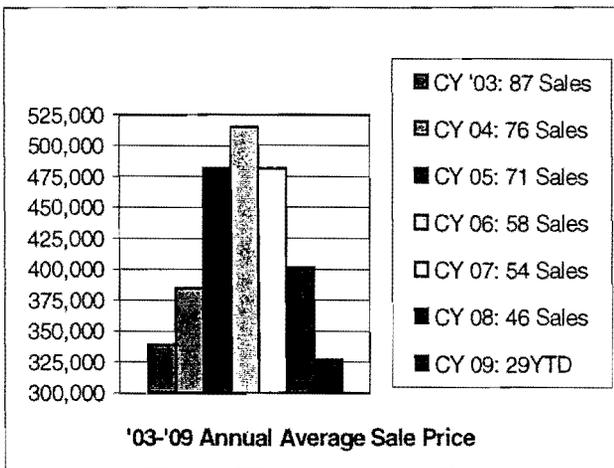
Thank you for your consideration of the issues important to all the residents of Hillandale.

Eileen Finnegan  
10404 Sweetbriar Pkwy, SS, MD 20903  
301-439-2263

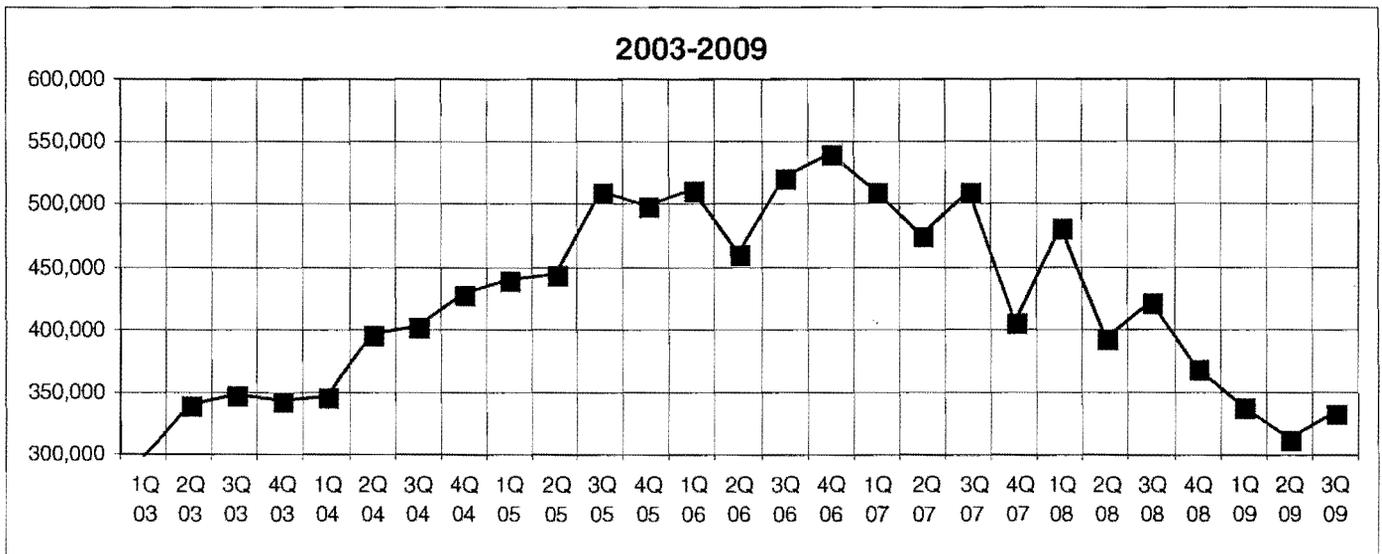
# HCA Area Home Sales: 2003-2009

## Hillandale Average Sales Price by Year & Quarter

September 30, 2009



## Time Line: Average Sales Price by Quarter



**2003**  
 87 Existing Homes  
 Total Value: \$29.5M  
 Average Price: \$339.04k  
 Median Price: \$ 340.0k  
 County Median: \$383.0k

**2005**  
 71 Existing Homes  
 Total Value: \$34.3M  
 Average Price: \$482.6k  
 Median Price: \$468.95k  
 County Median: \$530.0k

**2007**  
 54 Existing Homes; 1N \$820  
 Total (Ex) Value: \$26.0M  
 Average (Ex) Price: \$481.4k  
 Median (Ex) Price: \$475.0k  
 County (Ex) Median: \$560.0

**2009**  
 Year to Date: 9/30/09  
 29 Existing Homes  
 Total Value: \$9.4 M  
 Average Price: \$326.9k  
 Median Price: \$320.0k  
 County Median: \$unknown

**2004**  
 76 Existing Homes  
 Total Value: \$29.6M  
 Average Price: \$384.4k  
 Median Price: \$384.8k  
 County Median: \$450.0k

**2006**  
 58 Existing Homes  
 Total Value: \$29.9M  
 Average Price: \$515.1k  
 Median Price: \$504.5k  
 County Median: \$552.5k

**2008**  
 46 Existing Homes  
 Total Value: \$ 18.5 M  
 Average Price: \$401.7k  
 Median Price: \$397.5k  
 County Median: \$ unknown

4

HOC Testimony  
Housing Element of the General Plan  
December 1, 2009

Good afternoon. I am Sally Roman, a Commissioner with the Housing Opportunities Commission (HOC), speaking on behalf of the Commission. Thank you for this opportunity to comment on the draft Housing Element of the General Plan.

We would like to commend the Planning Board and Planning staff for this thoughtful, comprehensive draft and support this effort to update the County's housing planning policy to respond to the challenges of an increasingly urban environment.

Overall, we are pleased to endorse the goals and objectives of the draft Element. We believe they provide a sound basis for future housing development and preservation in the County. However, there is one significant omission. The Housing Element of the current General Plan includes the objective, "Promote a sufficient supply of housing to serve the County's existing and planned employment ...." This concept is implied but never stated in the current draft. We believe it is important to clearly express this idea as County policy. This is particularly important for the lower income workers HOC serves since an insufficient supply of housing near their jobs tends to push prices, which are probably already high, way beyond their reach. We urge you to add such an objective.

We especially support two of the Element's policy statements and hope that they will be actively pursued in future master plans and planning decisions. These are 2.2, "Make affordable and workforce housing a priority in all parts of the County." and 4.5, "Include affordable and workforce housing in all suitable public building projects in appropriate locations throughout the County."

Policy 2.9, "Create a partnership between Montgomery County and the Housing Opportunities Commission to acquire vacated properties for affordable and workforce housing...." should be revised to say "Support the partnership between Montgomery County and the Housing Opportunities Commission....." as HOC and the County already work together on projects of this nature. We appreciate the good relationship we enjoy with the County as we pursue this type of project.

We suggest two other minor but important revisions. On page 11 in the discussion of master plans, we suspect that the intention was to increase opportunities to develop a ratio of housing units to jobs that reflects the number of workers per households rather than "a high jobs-housing ratio," and we would revise it accordingly. In the "Interagency Coordination Matrix" we would add HOC as a primary agency in 4.5, "Include affordable housing in all suitable public building projects..." as HOC typically plays a role in such projects.

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Thank you for considering our comments. We would be glad to answer any questions or discuss them with you or the staff.

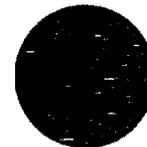
SHULMAN  
ROGERS

GANDAL  
PORDY  
ECKER

December 2, 2009

The Honorable Nancy Floreen, President  
Montgomery County Council  
100 Maryland Avenue  
Rockville, Maryland 20850

052979



2009 DEC -3 PM 12:58

RECEIVED  
MONTGOMERY COUNTY  
COUNCIL

Re: Public Hearing; Planning Board Draft of the Housing Element of the  
General Plan  
Our File No. 110023.00005

Dear Mrs. Floreen:

I request that you include this letter in the record of the public hearing on the Housing Element of the General Plan. I suggest that the Housing Element include a statement that the definition of a senior adult, for housing purposes be 55. The Federal Government has set the age for senior housing at 55 and above, in the law regarding Federal Low Income Housing Tax Credits. The State of Maryland, in its Housing Policy, has defined a senior as 55 years and above.

Montgomery County defines a senior at different levels. For example, the zoning ordinance defines a "senior adult" as 62 years old. In the PRC zone, a senior is defined as 50 years old. It is suggested that the County definitions should be aligned with Federal and State of Maryland policy.

The Housing Element should start the process of bringing the definition of a senior adult in line with Federal and State policy. If nothing else, bringing the definition of senior adult in line with Federal and State policy will avoid the possibility of having a discrimination lawsuit filed against the County in some bizarre fact situation. In addition, after adopting the Housing Element, the zoning ordinance definition of "senior adult" should be changed to reflect the new age.

Thank you for the opportunity to address this issue.

Very truly yours,

David D. Freishtat

DDF:grs

45

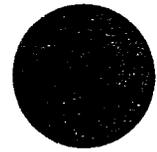
PH 12/1/09  
HOUSING ELEMENT GP

Delgado, Annette

MAN  
CC  
LAM

**From:** Andrews' Office, Councilmember  
**Sent:** Tuesday, November 24, 2009 4:04 PM  
**To:** Montgomery County Council  
**Subject:** FW: Accessory Apartments

052807



2009 NOV 25 AM 9:25

RECEIVED  
MONTGOMERY COUNTY  
COUNCIL

-----Original Message-----

**From:** Matt Zaborsky [mailto:normortgage@comcast.net]  
**Sent:** Tuesday, November 24, 2009 3:59 PM  
**To:** Andrews' Office, Councilmember  
**Cc:** Berliner's Office, Councilmember; Ervin's Office, Councilmember; Elrich's Office, Councilmember; Floreen's Office, Councilmember; Knapp's Office, Councilmember; councilmember.leventhal@montgomerycountymd.gov.councilmember.trachtenberg@montgomerycountymd.gov  
**Subject:** RE: Accessory Apartments

Philip Andrews  
County Council President  
100 Maryland Avenue  
Rockville, Maryland 20850

SUBJECT: Testimony for 12/1/09 hearing on proposed revision of Housing Element of General Plan

Honorable Council President Andrews,

The purpose of this note is to inform you that the NORBECK MEADOWS CIVIC ASSOCIATION (NMCA), a 480-unit community, has voted to strongly oppose the recommendation, which is included as Policy 2.4 on page 14 of the July 2009 Planning Board draft revision of the Housing Element of the General Plan, to allow accessory apartments in residential zones by right. The NMCA supports the current process that requires the property to be posted and a special exception hearing to be held. We wish to submit this position in writing since we are not certain we can get a representative to a hearing in the middle of the day on December 1, 2009.

Our Association strongly opposes this change because these apartments can quickly change the character of a community especially one zoned for single-family dwellings. Parking is one of the first concerns especially since our streets are narrow and do not have curb and gutter. Secondly, apartments within existing dwellings increase the density of the neighborhoods putting more traffic on local streets, and more pressure on community resources such as schools, police, and fire protection. Lastly, many folks choose to pay more to live in a single-family detached dwelling in a less congested neighborhood. To allow accessory apartments by right will greatly diminish their quality of life and lower property values by allowing an unlimited number of single family dwellings to transition to apartments.

It should also be noted that other homeowners associations in Olney feel similarly as evidenced by the overwhelming vote at the Greater Olney Civic Association meeting on November 10, 2009 to similarly oppose the new language that would allow accessory apartments by right. We ask that the County Council NOT approve this new proposal. Please feel free to contact me if more information is needed.

Matt Zaborsky, Vice President  
Norbeck Meadows Civic Association  
301-774-1311  
mattz@normortgage.com

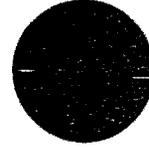
46

NRN  
CC

Marin, Sandra

From: sharondooley@comcast.net  
Sent: Wednesday, November 18, 2009 11:35 AM  
To: Montgomery County Council  
Subject: General code reinforcement

052677



To County Council members:

GOCA recently passed a resolution asking that the portion of the General Code which addresses accessory apartments remain as written - this requires that such additions which are frequently called "in-law apartments" still be subjected to approval as special exceptions rather than be given blanket approvals as allowed by right. I believe we are joined with the Montgomery County Civic Federation in their opposition to these projected changes.

Please let us know of your opinions in this matter; I do hope you can agree with this reinforcement of current standards which should serve to enforce our zoning regulations.

Thank you,  
Sharon Dooley  
President GOCA

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2009 NOV 19 AM 9:34

*Cherrywood Homeowners Association, Inc.*

*P.O. Box 159*

*Olney, Maryland 20830*

November 21, 2009

2009 NOV 25 AM 9:21

RECEIVED  
MONTGOMERY COUNTY  
COUNCIL

Philip Andrews  
County Council President  
100 Maryland Avenue  
Rockville, Maryland 20850

SUBJECT: Testimony for 12/1/09 hearing on proposed revision of Housing Element of General Plan

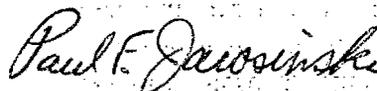
Honorable Council President Andrews,

The purpose of this note is to inform you that the Cherrywood Homeowners Association, a 606-unit community, has voted to strongly oppose the recommendation, which is included as Policy 2.4 on page 14 of the July 2009 Planning Board draft revision of the Housing Element of the General Plan, to allow accessory apartments in residential zones by right. The Cherrywood HOA supports the current process that requires the property to be posted and a special exception hearing to be held. We wish to submit this position in writing since we are not certain we can get a representative to a hearing in the middle of the day on December 1, 2009.

Our Association strongly opposes this change because these apartments can quickly change the character of a community especially one zoned for single-family dwellings. Parking is one of the first concerns especially since our streets are narrow and do not have curb and gutter. Secondly, apartments within existing dwellings increase the density of the neighborhoods putting more traffic on local streets and more pressure on community resources such as schools, police, and fire protection. Lastly, many folks choose to pay more to live in a single-family detached dwelling in a less congested neighborhood. To allow accessory apartments by right will greatly diminished their quality of life and lower the property values and life savings by allowing an unlimited number of single family dwellings to transition to apartments.

It should also be noted that other homeowners associations in Olney feel similarly as evidenced by the overwhelming vote at the Greater Olney Civic Association meeting on 11-10-09 to similarly oppose the new language that would allow accessory apartments by right. We ask that the County Council NOT approve this new proposal. Please feel free to contact if more information is needed.

Sincerely,



Paul F. Jarosinski  
President

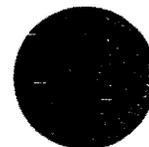
48

LAM

**Marin, Sandra**

**From:** Louis Wilen [louis.wilen@verizon.net]  
**Sent:** Wednesday, December 09, 2009 1:16 PM  
**To:** Knapp's Office, Councilmember; Montgomery County Council  
**Subject:** Please OPPOSE a simplified Accessory Apartment approval process

053080



Dear Councilmember Knapp, Mr. President, and Members of the Council:

Yesterday evening, I watched a presentation at the GOCA meeting by several county officials about the proposal to allow accessory apartments "by right". The county officials clearly were trying to gain support for allowing accessory apartments to be allowed "by right", instead of through a public hearing process.

Accessory apartments increase crowding and cheapen neighborhoods. But that's only part of the reason to oppose accessory apartments.

Under our property tax system, homeowners with accessory apartments get significant homestead credits and county tax credits, even though they are partially landlords. Owners of accessory apartments effectively get tax benefits that are intended solely for owner-occupants. At the same time, these owners contribute to overcrowding of single-family neighborhoods and increase the burden placed on schools because of the much greater number of children that tend to live in a house that has an accessory apartment.

I ask that you OPPOSE any attempt to simplify the accessory apartment approval process.

Thank you for hearing my concerns.

Louis Wilen  
17101 Macduff Avenue  
Olney, MD 20832

2009 DEC 10 AM 8:20

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Summary of Comments received since Public Hearing on the Housing Element of the General Plan

Sender	Topics
<p>Montgomery County Civic Federation (March 7, 2011)</p> <p>Excerpt from newsletter</p>	<p>Add protection of affordable housing units to the Strategic Framework sentence about master plan addressing existing and future housing needs (page 10 of Housing Element)</p> <p>Add to Council staff rewrite of Policy 2.2: registered living units, group homes, productivity housing, and employer assisted housing.</p> <p>Retain special exception process for accessory apartments and do not adopt a broader policy for review of what might be provided by right as suggested by Council staff.</p> <p>Retain Policy from 1993 Housing Element: Maintain and enhance the quality and safety of housing and neighborhoods ...</p> <p>MCCF Planning and Land Use Committee supports policy regarding tax relief for income eligible seniors and preservation of tree canopy. Oppose a 5<sup>th</sup> objective focused on regulatory reform.</p> <p>MCCF Planning and Land Use Committee opposes Executive's proposed 5<sup>th</sup> objective for regulatory changes particularly allowing sectional map amendments that could proceed independently of master plan and sector plan amendments.</p> <p>MCCF Planning and Land Use Committee prefers format of 1993 Housing Element to the Planning Board Draft.</p> <p>Believes the Housing Element can have language addressing the need for infrastructure to support housing.</p>
<p>Tillman Neuner March 10, 2011</p>	<p>There is a need to create an inventory that includes:</p> <ol style="list-style-type: none"> <li>(1) the total number and location of housing units;</li> <li>(2) information on whether occupants are owners or renters;</li> <li>(3) an estimate of housing costs incurred by the occupants.</li> </ol> <p>This would provide a useful basis for defining and implementing the county's housing policy.</p>

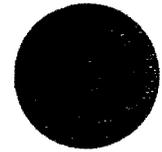
<p>Citizens Coordinating Committee on Friendship Heights (March 7, 2011)</p>	<p>Four major areas of concern: (1) Lack of Protection for Existing Communities; (2) Oppose Affordable Housing as a Permitted Use; (3) Lack of Adequate Public Facilities; and (4) Need to Re-Draft Housing Element and Re-Open Public Hearings.</p> <p>Retain the 1993 Objective to maintain the quality and safety of housing and neighborhoods.</p> <p>Add new objective to “Protect existing lower-cost housing stock, as the most efficient, least expensive way to meet demand for affordable housing.” Include: Maintain and enhance the quality and safety of housing and neighborhoods; discourage the deterioration of housing through code enforcement; re-write the zoning code to keep existing lower-cost housing available on the market; and, discourage tear-downs and replacement of lower cost housing with higher dwelling units.</p> <p>Remove language that would make affordable housing a permitted use in all residential zones.</p> <p>Retain special exception for accessory apartments.</p> <p>Create policies to ensure growth does not outpace county infrastructure capacity.</p> <p>Re-draft Housing Policy and hold additional public hearings.</p>
<p>Chevy Chase West Neighborhood Association (March 9, 2011)</p>	<p>Opposes recommended revision to the Housing Element.</p> <p>Draft does not reflect recent economic slump and would do harm to existing residential neighborhoods.</p> <p>Oppose accessory apartments by-right as it shuts out community.</p> <p>Recommends a redraft and additional public hearings.</p>
<p>Chevy Chase West residents (4 letters received) (March 10, 2011)</p>	<p>Keep existing Housing Element and the existing neighborhood protections.</p> <p>Return current draft to the Planning Board and have additional public hearings.</p>
<p>Sligo-Branview Community Association (March 4, 2011)</p>	<p>Reject accessory apartments by-right and retain special exception.</p> <p>Hold an additional public hearing.</p>

Woody Bronson (March 3, 2011)	<p>Supports accessory apartments by right. Common sense suggests this will not cause a surge in accessory apartments.</p> <p>Opposed consultant report for zoning re-write regarding changes to the R-60 zone but this does not mean he does not support homeowners who want to rent a room.</p>
Robert Rosenberg (March 1, 2011)	<p>Do not remove language in current Housing Element that preserves and protects existing neighborhoods.</p> <p>Retain special exception process for accessory apartments.</p>
Larry Wannemacher (February 28, 2011)	<p>Do not allow accessory apartments by right.</p> <p>Instead of relaxing measure to protect the residential tax base, the county should be reminding residents of the need to inform the County about housing code violations.</p>
Action Alert from Affordable Housing Conference	<p>There is a pressing need for affordable housing and eliminating barriers for its production, maintenance, and expansion.</p> <p>Support accessory apartments by right.</p>
Eileen Finnegan (comments to Linda McMillan)	<p>Retain special exception for accessory apartments. It allows everyone to be informed about the rules regarding apartments and renting rooms.</p> <p>Housing Element should also address Registered Living Units. Illegal apartments are sometimes licensed as registered living units even though family members are not living there. As long as affidavit is signed there is not follow-up by DHCA. In Hillandale there are more registered living units than accessory apartments.</p>
Brookedale Community (3 e-mails received)	<p>Planning and permitting for high density development should:</p> <ol style="list-style-type: none"> <li>(1) ensure compatibility with adjacent and near-by communities,</li> <li>(2) protect the stability and character of these communities,</li> <li>(3) prohibit negative impacts (cut through traffic &amp; spillover traffic), and</li> <li>(4) involve the residents of the communities actively in planning and design of projects.</li> </ol> <p>Do not allow accessory apartments by-right.</p>
Jean Cavanaugh (March 14, 2011)	<p>Retain objective #5 from the 1993 Housing Element. Need traffic diverted from neighborhood to protect safety of children, cyclists, dog-walkers, that share narrow streets without sidewalks.</p> <p>Retain special exception approval for accessory apartments.</p>

Elizabeth Dietel (March 14, 2011)	<p>Planning and permitting for high density development should:</p> <p>(1) ensure compatibility with adjacent and near-by communities,  (2) protect the stability and character of these communities,  (3) prohibit negative impacts (cut through traffic &amp; spillover traffic), and  (4) involve the residents of the communities actively in planning and design of projects.</p> <p>Do not allow accessory apartments by-right.  Ensure supporting infrastructure is in place for new housing.</p>
Helene Brett (March 14, 2011)	<p>Retain neighborhood protections included in the 1993 Housing Element.  Retain special exception for accessory apartments.</p>
Anne Mehringer (March 14, 2011)	<p>Retain neighborhood protections included in the 1993 Housing Element.  Retain special exception for accessory apartments.  Ensure supporting infrastructure is in place for new housing.</p>
Seven Oaks Evanswood Association (March 15, 2011)	<p>Residents should be informed of their land rights and informed about the changes in the Housing Element.</p> <p>Seven Oaks/Evanswood neighborhood is not protected by incorporation.</p> <p>Retain neighborhood protections included in Objective #5 of the 1993 Housing Element.</p> <p>Maintain the reasonable level of housing in the R-60 zoning that will keep the neighborhood cohesive and stable.</p>
Gregory Eisenstadt (March 18, 2011)	<p>Need better definition of “high density near transit;” however, it must be a balanced definition that is not too broad or narrow. Provide clear guidance to future generations on the current vision for Montgomery County.</p>
Kathleen Carroll (March 21, 2011)	<p>Retain neighborhood protections included in the 1993 Housing Element.  Retain special exception for accessory apartments.</p>
Diane Hancock (March 22, 2011)	<p>Retain neighborhood protections included in the 1993 Housing Element.  Retain special exception for accessory apartments.</p>



061130



March 7, 2011

TO: Councilmember Nancy Floreen, PHED Committee Chair  
Councilmember George Leventhal, PHED Committee member  
Councilmember Marc Elrich, PHED Committee member  
Linda McMillan, Council Senior Legislative Analyst

FROM: Jim Humphrey, Chair, MCCF Planning and Land Use Committee

SUBJECT: Proposed rewrite of the Housing Element of the General Plan

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7:11 MAR 10 PM 4:14

While the Civic Federation did testify before Council in December 2009 on the draft revision of the Housing Element of the General Plan, we are submitting these comments to respond to specific points in Linda McMillan's March 4, 2011 staff memo prepared for the March 7 PHED worksession, and to the committee discussion that occurred at that worksession.

- We are aware that this sentence appears in the introduction to the revised draft: "Master plans must address existing and future housing needs with particular attention to protecting and enhancing neighborhoods that contain a substantial stock of affordable units..." ("A Strategic Framework" section--pg. 10 of the draft revision) But this does not address the need to protect the affordable units themselves.

**We believe the following language should be retained from the current General Plan** in any adopted revision: "Preserve existing affordable housing where possible."  
(Objective 4F--Housing Element, 1993 General Plan Refinement)

- **We support adoption** of the rewrite of Policy 2.2 suggested by Ms. McMillan in her March 4 memo (pg. 7), with the underlined amendment to specify other unit types along with accessory apartments: "Encourage neighborhood diversity with a range of units sizes, types (accessory apartments, registered living units, group homes, productivity housing, employer-assisted housing), occupancy (rental and ownership) and price ranges, including those affordable to low and moderate income residents."
- The Civic Federation has a position of record supporting retention of the Special Exception approval process for accessory apartments, so **we urge that you not adopt** Mr. McMillan's suggested language at top of pg. 10 of her March 4 memo ("Review whether uses that contribute to diversity in housing and walkable transit oriented communities that are currently provided by special exception could be allowed by right if appropriate conditions and standards are in place.") We do not oppose accessory

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apartments as a housing unit type, but we believe it is critically important to retain the opportunity for neighbors and community groups to weigh in on applications through the existing Special Exception approval process.

- We are aware that the following sentence is included as a goal in the draft document transmitted to Council by the Planning Board: "Master plans, in particular, must devote special attention to protecting existing neighborhoods." ("Challenges and Goals" section--pg. 8 of the draft revision) But the concrete strategies to be used to protect neighborhoods that are listed in the current Housing Element have been struck. **We believe the following should be retained from the existing General Plan, and suggest it be added as a new Policy to the Housing and Neighborhood Design Objective as follows:**

Policy 4.8 Maintain and enhance the quality and safety of housing and neighborhoods by the following means:

- A. Discourage deterioration of housing through well-funded code enforcement, neighborhood improvement programs, and other appropriate techniques.
- B. Ensure that infill development and redevelopment complements existing houses and neighborhoods.
- C. Mix housing with other uses with special care in ways that promote compatibility and concern for residents' need for safety, privacy, and attractive surroundings when introducing new uses into existing housing and neighborhoods.
- D. Provide for appropriate redevelopment of residential property when conditions warrant.
- E. Protect residential neighborhoods by channeling through traffic away from residential streets and discouraging spill-over parking from non-residential areas.
- F. Use special care to plan uses at the edges of high-density centers that are compatible with existing neighborhoods.

- While it is not part of the formally adopted position of the Federation, the MCCF Planning and Land Use Committee believes there are some positive new policies recommended in the revised draft. For example, the **MCCF PLU Committee supports:**
  - Policy 2.8 Provide tax relief for income-eligible seniors beyond the homeowner's property tax credit so they can stay in their neighborhood as long as they desire.
  - **and we support** Policy 3.7 (with County Executive's recommended changes) Require conservation of tree canopy and sustainable site design, including native plants and conservation landscaping techniques, as well as soil decompaction strategies.
  - **But we recommend against adopting** the County Executive's suggestion to include an additional fifth objective that would focus on the regulatory process, and strongly object to his recommended policy to "allow sectional map amendments that...proceed independently of time consuming master plan and sector plan amendments."

- This again is not part of the formally adopted position of the Federation, but the PLU Committee finds that the Housing Element of **the 1993 General Plan Refinement wisely employed a format that accommodated a diversity of objectives and strategies** to carry out those objectives. The revised Housing Element inexplicably shoehorns all of its objectives and policies into four overly-restrictive categories of

Connectivity, Diversity, Environment, and Design. We feel this new formatting choice was a poor one, and think the format of the 1993 General Plan should have been retained.

- Finally we would like to respond to a comment made during the March 7 worksession. We admit that we are paraphrasing, but in responding to concern expressed by Councilmember Elrich about the potential inability of the county to plan for, provide, and afford school and other infrastructure if residential density were increased by allowing accessory apartments by-right, PHED Committee Chair Floreen seemed to caution against addressing infrastructure in the Housing Element.

We believe it is appropriate to address the topic of infrastructure needed to support housing. We would point out that one of the four main objectives in the draft revised Housing Element concerns environment, which has its own chapter in the existing General Plan. If discussing the environment in the Housing Element is appropriate, then so too is addressing infrastructure. On page 44, the 1993 Plan Refinement acknowledges and explains in detail the interrelationship of all of the goals in the General Plan, which we believe is an appropriate holistic approach to be taken in such a document.

Thank you for considering these comments from the Civic Federation as you proceed with your discussion of the draft revised Housing Element of the General Plan.

In part due to pressure from citizens and ZAP members concerned that these new residential development types were a de facto rewrite of master plans and would violate the "wedges and corridors" concept in the county General Plan, and in part because it was felt the consultant and Planning staff overstepped the boundaries of the task they were given--to clarify and condense the existing zoning ordinance--the section containing the new housing types has been removed from the draft posted on the Planning Department website. It is still available for view on the MCCF website at <http://www.montgomerycivic.org/currentissuesPLU.html>.

The Zoning Code Rewrite Project webpage on the Planning Department's online site states that the rewrite process "will include major citizen participation and task force components, administrative research and studies, public review of recommendations, and public hearings on draft legislation" and that "the code will be broken down into several modules and the process will be repeated for each module." Even though the Agricultural and Residential modules have now been drafted, it appears that Planning staff has decided to wait until the entire code rewrite is drafted before starting the public comment period.

## **Council Revives Rewrite of Housing Chapter of General Plan by Jim Humphrey, Planning & Land Use Chair**

As background, in early 2008 the staff at the Planning Department submitted a series of memos to the Planning Board proposing the rewrite of the Housing Chapter (also referred to as the Housing Element) of the General Plan, the overarching master plan for the entire county. A draft rewrite of the Housing Chapter was released in early May, and the Board held a hearing on the draft on May 21, 2009.

Following two worksessions in June and July, the Board transmitted their approved draft on July 30, 2009 to the County Council, the body with sole authority to approve all master plans and amendments to them. The Council held its public hearing on the proposed rewrite of the General Plan's Housing Element on December 1, 2009, after which the matter was referred for study to the Planning, Housing and Economic Development (PHED) Committee of Council where it remained dormant.

On January 20, 2011, the Council PHED Committee will hold a worksession on the proposed rewrite of the Housing Element of the General Plan. This rewrite is an important issue for all county residents because the objectives and provisions in the General Plan are the

model used for drafting the master and sector plans for all communities in the county.

Of concern to MCCF is that the proposed revision would reformat the Housing chapter and eliminate the existing list of objectives for housing and strategies to achieve those objectives. For example, the current "Objective 5--Maintain and enhance the quality and safety of housing and neighborhoods" would be deleted, along with the accompanying neighborhood protection strategies such as "protect residential neighborhoods by channeling through traffic away from residential streets and discourage spill-over parking from non-residential areas." Some existing strategies were rewritten into the proposed new format, although the new language could weaken their enforceability, while others were deleted entirely.

Neighborhood associations and county residents should familiarize themselves with this issue, since it is likely the PHED Committee will make a recommendation for full Council action in the winter before they tackle the FY12 budget this spring. A copy of the current Housing Chapter of the General Plan is posted on the Federation's website, along with the draft rewrite being considered by Council, and the MCCF testimony before the Planning Board and the Council (at <http://www.montgomerycivic.org/currentissuesPLU.html>)

## **From Green "Concrete" to Truly Green Acres: Restoring Compacted Soils in Athletic Fields and Other Turf Areas** By Carole Ann Barth, Parks & Recreation Chairman

Most Montgomery County residents have heard that stormwater runoff causes problems in our streams, rivers, and in the Chesapeake Bay. Many have learned about the pollution problems associated with "impervious surfaces" such as buildings, sidewalks, and roads. By covering the landscape with impervious surfaces, we have disrupted the natural water cycle. Instead of rainwater filtering into the soil to replenish groundwater and maintain the flow of streams in dry weather; it runs over the surface, picking up pollutants on its way to the nearest stream.

A major focus of stormwater management now, is to reduce or "disconnect" impervious surfaces. Green roofs, rain barrels, and rain gardens are among the techniques used to slow stormwater down, spread it out, and let it soak in. But infiltration practices are only as good as the soils they are in. It turns out that many of

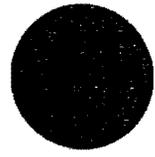
Housing

LAM

Honorable Valerie Ervin  
Chair  
Montgomery County Council  
100 Maryland Avenue  
Rockville, MD 20850

March 10, 2011

061132



Dear Ms. Ervin:

As you are aware, last Monday the Council's PHED Committee focused on the Housing Element of the General Plan.

As I listened, it struck me that the Committee had a lengthy discussion about the meaning of such common terms as "affordable housing" and "workforce housing". It then also occurred to me that the County currently lacks a comprehensive inventory of its housing stock that would provide a more useful basis for defining and implementing the County's housing policy.

Such an inventory would provide data on

1. the total number and location of housing units
2. information on whether the occupants are owners or renters
3. an estimate of the housing costs incurred by the occupants.

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The inventory would also list housing units by levels of occupancy costs and the units which have occupancy costs at less-than-market rates. The latter would include units provided by HOC, nonprofit providers, MPDU's and units supported by other governmental or nonprofit or charitable sources. In addition, the data on less-than-market units would also include particulars on how long and under what conditions the less than market units would be available.

Among other things, this level of detail will allow the County's planners to identify the number and location of units which are suited for various levels of occupant incomes, allow the planning process to match employment with housing and identify areas where the planning process will cause displacement of existing housing units.

Significant data for the inventory could be obtained from publicly available commercial information, from the County's public records, from HOC or from semi-public organizations such as the Montgomery Housing Partnership.

Nowhere else in the DC area is there an inventory as I have described. However, Arlington County has maintained and kept up to date an inventory of its rental apartments in complexes of more than four units and described them by rent levels and subsidies being provided for the occupants. Arlington also keeps information on the period for which tenant support is available for each unit. Much less comprehensive information has been collected for DC and some other areas in the

50

Honorable Valerie Ervin

-2-

March 10, 2011

region under the guidance of a group from the Affordable Housing Coalition on housing units at risk of losing their less-than-market status.

Obviously, the deliberations on the General Plan cannot await such a comprehensive inventory. But once the inventory is available its data would greatly improve the ongoing planning process for the housing sector and for the County's overall development.

For this reason, work on the inventory should start soon. The inventory would be a significant effort but could be carried out in collaboration with others, such as the real estate department of a local university. I do believe that arrangements for an inventory of Montgomery County's housing are both greatly needed and quite feasible.

Sincerely yours,



Tillman Neuner

4309 Maryland Avenue  
Bethesda, MD 20816

(51)

-----Original Message-----

**From:** Phyllis Edelman [mailto:predelman@gmail.com]

**Sent:** Monday, March 07, 2011 8:01 AM

**To:** Floreen's Office, Councilmember; Elrich's Office, Councilmember; Leventhal's Office, Councilmember

**Cc:** Ervin's Office, Councilmember; Berliner's Office, Councilmember

**Subject:** Review of 2009 Housing Element of the General Plan

DATE: March 7, 2011

TO: PHED Committee

RE: Review of 2009 Housing Element of the General Plan

FROM: Phyllis Edelman, Chair, Citizens Coordinating Committee on Friendship Heights, Inc. **representing the Citizens Associations of Brookdale, Chevy Chase Village, Chevy Chase West, Green Acres-Glen Cove, Kenwood (the subdivision), Kenwood House Condo, The Kenwood Condominium, Kenwood Place Coop, Somerset, Springfield, Sumner, Sumner Condo, Westbard Mews, Westmoreland, Westwood Mews, and Wood Acres.**

The Citizens' Coordinating Committee on Friendship Heights (CCCFH) represents approximately 10,000 residents in the Bethesda-Chevy Chase area. The County's housing policies and regulations are very much a concern to our residents, as they directly affect the affordability, stability and quality of life of our communities.

Our review of the 2009 draft Housing Element of the General Plan indicated **four major areas of concern: (1) Lack of Protection for Existing Communities; (2) Oppose Affordable Housing as a Permitted Use; (3) Lack of Adequate Public Facilities; and (4) Need to Re-Draft Housing Element and Re-Open Public Hearings.** The following are the actions we request, followed by a detailed analysis, for each of these points.

**(1) PROTECTION FOR EXISTING COMMUNITIES:**

ACTION REQUESTED: Please add another Objective to the Housing Element specifically to protect stable neighborhoods. It should read the same as the 1993 Housing Element Goal #5: "Maintain and enhance the quality and safety of housing and neighborhoods". To make sure the M-NCPPC treats this as a priority, the Objective should have the same implementing Policies as in 1993: "Mix housing with other uses with special care in ways that promote compatibility and concern for residents' needs for safety, privacy and attractive surroundings when introducing new uses into older neighborhoods; Protect residential neighborhoods by channeling through traffic away from residential streets and discouraging spill-over parking from non-residential areas; and Use special care to plan uses at the edges of high-density centers that are compatible with existing neighborhoods." Add another implementing Policy to: Protect the character and quality of life of established neighborhoods.

Add another new Objective to: "Protect existing lower-cost housing stock, as the most efficient, least expensive way to meet demand for affordable housing."  
Implementing Policies should include: "Maintain and enhance the quality and safety of housing and neighborhoods; Discourage the deterioration of housing through code enforcement; Re-write the zoning code to keep existing lower-cost housing available on the market; and, discourage tear-downs and replacement of lower-cost housing with higher-cost dwelling units."

## **(2) AFFORDABLE HOUSING AS PERMITTED USE**

**ACTION REQUESTED:** Remove sweeping, open-ended policy statements in the draft Housing Element's Strategic Framework that would make affordable housing a permitted use in all residential zones. Delete the call to re-write the zoning code to remove all regulatory controls over any kind of affordable housing. Remove Policy 2.4 from Objective #2, to approve Accessory Apartments By Right, instead of By Exception. Before considering any future loosening of regulatory controls over Accessory Apartment approvals, require that M-NCPPC and the Department of Housing and Community Affairs provide current, objective, data-based analysis of the actual problems communities experience now with Accessory Apartments, and the true costs to the County of increasing the number of Accessory Apartments in residential zones, e.g. increased costs of enforcement and community stabilization, and lost tax revenue due to declining property values. The analysis should include a credible estimate of actual demand for Accessory Apartments; and an explanation as to why the total number of Accessory Apartments has declined dramatically, even during the economic downturn; as an objective rationale for positing that private homeowners will respond to loosened regulations by applying for more Accessory Apartments.

## **(3) PROVIDE FOR ADEQUATE PUBLIC FACILITIES**

**ACTION REQUESTED:** Drop all tacit assumptions from the Housing Element that essential infrastructure (roads, water and sewer) and services (public transit, schools) will be in place to support new development and population growth. Re-evaluate the likelihood of adequate infrastructure and services in light of expected County, State and Federal budget cuts in this and subsequent years. As the revised Housing Element Objectives (diversity, connectivity, environment and design) intentionally do not lend themselves to Policies for providing infrastructure and services, another Objective must be added to link the still in ~~effect~~ Adequate Public Facilities Ordinance (APFO) to plans for new high-density development and more residents. Create implementing Policies that make appropriate County government agencies responsible for holding thorough, timely reviews (at least every two years), to ensure that growth does not outpace County capacity in transportation infrastructure, public transit, water and sewer service, and schools; and that the County and real estate industry are able to finance new development-related infrastructure and services, when needed.

## **4) RE-DRAFT HOUSING ELEMENT AND RE-OPEN PUBLIC HEARINGS**

**ACTION REQUESTED:** The PHED Committee should identify issues that the Planning Board needs to re-evaluate, given the County's changed fiscal circumstances. After the pending budget review, when probable cuts to services and capital projects are clear, a revised draft Housing Element should be submitted by the Planning Board reflecting the new budget realities; and new public hearings held. If this is not done, the new Housing Element will not be a credible policy or planning tool.

Attachment: Detailed Reasons for each of the Four Main Points

## DETAILED REASONS FOR EACH OF THE FOUR MAIN POINTS

### (1) PROTECTION FOR EXISTING COMMUNITIES

Previous 1993 Housing Element Goal (#5), protecting established communities from the negative impacts of development, did not make it into the 2009 draft Housing Element as an Objective or Policy. Instead, it was relegated to a new section called Strategic Framework which has no discernible relationship to the main document; and it was lumped together with a different issue; protection of existing lower-cost housing.

The Strategic Framework refers to a Goal called, "Conservation of stable neighborhoods and the existing housing stock". We strongly believe that protection of the character and quality of life of established neighborhoods from the negative impacts of new development must be a separate Objective with its own implementing Policies. If that does not happen, there will be no actual basis or plan for protecting established communities from the negative impacts of new, high-density, development. Residents are especially concerned, because we are now seeing a definite waning in the County's commitment to protect established communities, when major re-development projects, e.g. White Flint, go forward.

The draft 2009 Housing Element already calls for reducing the amount of parking required for new development, in order to force residents and workers to walk, bike or take public transit. What will actually happen is that drivers will cut through, and park in, surrounding communities. This is not theory: It is a fact that existing communities surrounding Friendship Heights battle with daily, despite ready availability of public transportation. CCCFH member communities want community protections given very clear priority, and Policies for implementation, in the proposed Housing Element, to prevent negative impacts once the Westbard Sector Plan is reviewed, and re-development of the Westbard Shopping Center begins.

### (2) AFFORDABLE HOUSING AS PERMITTED USE

The draft Housing Element says the County's long-standing and costly affordable housing programs haven't made a dent in growing demand. But no demand analysis is offered that would justify making affordable housing the County's main policy priority. Nonetheless, the Strategic Framework calls for sweeping revisions to the zoning code to: Provide incentives for a wide and diverse range of affordable unit types and sizes; Reduce regulatory requirements and procedures that discourage production of affordable housing units; Revise the zoning ordinance to clarify that affordable housing is a permitted use in all residential zones; and Eliminate excessive or unnecessary barriers to provision of affordable housing, such as parking or special exception requirements.

Because it is unclear how the Strategic Framework relates to the rest of the Housing Element (as discussed above), the draft Housing Element gives no sense of how the Strategic Framework's call for affordable housing By Right in all residential zones would be implemented. But Goal #2, Policy 2.4, seems to be a first step in that direction. It calls for changing the zoning code to approve all Accessory Apartments By Right, rather than By Exception, on the theory that this will increase the number of applications for accessory apartments, and therefore the supply of affordable housing.

If there is such strong demand for affordable housing, it is strange that the total number of existing Accessory Apartments in the County has actually declined in the past few years (from 400 to 211). The Department of Housing and Community Affairs reported that home owners were converting their rental Accessory Apartments back to family use, but did not know why. It is hard to figure out how eliminating the By Exception approval requirement would increase accessory apartment applications, when there was not enough financial incentive to produce that result, even in a down economy.

DHCA reports the number of accessory apartments operated illegally may be rising. However, the reason may be that dishonest landlords are trying to evade DHCA's licensing and inspection requirements, and the Department of Permitting Services' construction regulations. If so, eliminating the By Exception approval requirement will do nothing to increase the number of legal accessory apartments, or get the illegal ones under better control.

If the zoning code were changed to make all types of affordable housing a permitted use in every residential zone, suburban communities could be obliged to live with an extremely wide range of accessory structures or units which do not have to meet tests for compatibility with the neighborhoods, or address the concerns that other residents may have.

Removal of the By Exception (Board of Appeals) process would leave the other residents of a neighborhood with no place or authority to whom they could turn to prevent problems that could detract from their use and enjoyment of their own property. This is not consistent with the draft Housing Element's claim that stable communities, and the entire housing stock, should be protected. If County Government blocks taxpaying citizens from protection under the zoning code, it will abdicate its fundamental responsibility to treat all citizens equally.

Theoretically, even if the By Exception approval were eliminated, the Department of Housing and Community Affairs' landlord licensing and rental unit inspections would still hold accessory units to some basic standards, such as size, and number of occupants. And the Department of Permitting Services would assure safe and proper construction. But the DHCA website acknowledges they are too under-funded and short-staffed to manage a robust program of inspections and response to complaints. They have had to focus their limited resources on special programs, e.g., Neighbors Alive, in selected communities where accessory apartments are clustered, and both housing and neighborhoods have deteriorated. Without a major boost in funding and staff, therefore, it would be impossible for DHCA to oversee a greatly increased number of accessory units throughout the County. And DHCA is unlikely to get additional money or personnel, given the County's budget constraints.

There could be other negative effects from approving Accessory Apartments By Right. According to a long-time Montgomery County real estate agent and member of the CCCFH, part of Kensington has experienced loss in property values, because it borders the Wheaton area where Accessory Apartments are clustered. She has observed that too many cars parked on nearby streets, and the run-down condition of such neighborhoods, drives prospective purchasers away. Accessory Apartments are, after all, rental units. Landlords and tenants tend not to take as much care of a property. And too many rentals are widely considered a bad sign for any type of property (single family

homes, condos, etc). Therefore, one cannot rule out the possibility that a concerted effort to increase the number of Accessory Apartments in residential zones could depress property values reduce property tax revenues further.

There are other potential costs to the County. Even in areas where there is already a good supply of accessory apartments, the DHCA has to spend more money to keep the communities up to standard. Given the County's budget constraints now and for the foreseeable future, it would seem unwise to make a major push for housing types that could cost the County more in public funds and lost taxes.

The CCCFH is also concerned at the apparent lumping together of all Accessory Apartments into one single, By Right category. (Some even refer to them as Accessory Units, making no distinction at all among them). This blurs the line between units now permitted in single-family homes on smaller suburban lots, and structures separate from a single family house which are can be rented out as housing only on lots of one acre or more. That could eliminate the protections suburban communities now have against putting a number of living structures, e.g., cottage houses, townhomes, and multi-family dwellings, on small suburban lots, an idea that was introduced recently in connection with the Planning Department's Zoning Code Re-Write. Because of the radical and untested nature of this idea, Planning Commission Chair, Françoise Carrier, rightly removed it from the Zoning Code Re-Write, and reserved it for future special study. The CCCFH feels strongly that the Housing Element of the General Plan must not create a policy basis for re-inserting this theory of suburban development into the zoning code without the careful, in-depth study and consideration required by the Planning Commission Chair.

### (3) LACK OF ADEQUATE SERVICES AND INFRASTRUCTURE

The Strategic Framework in the 2009 draft Housing Element says: "Development regulations should be revised to require provision of housing near transit, jobs and services". But the diversity, connectivity, environment and design Objectives and Policies that follow simply assume the presence of adequate public infrastructure and services. And there seem to be no implementing Policies to support housing near transit, jobs and services.

The draft Housing Element doesn't mention that our schools are overcrowded (some already on moratorium), our water infrastructure tends to burst, our electric power service is well below average, our public transit is already overwhelmed, and our State and County roads and bridges are below national standards. The Housing Element also ignores the realities of a very large structural deficit, the continued decline in property tax and other revenues, and the loss of State and Federal funding that will put the County in a budget straitjacket for years to come. It is doubtful that even an addition of income tax revenues from more new residents could fill the budget gap enough to provide the infrastructure and services needed for a growing population.

When the Council adopted the diversity-connectivity-environment-design format for the Growth Policy, then pushed review of the Growth Policy off to every four years, it removed the only existing system for determining whether infrastructure and services would be available to support growth, in compliance with the Adequate Public Facilities Ordinance (APFO). Although the Adequate Public Facilities law is still in effect, nothing

else has been devised to provide systematic, timely monitoring and balancing of essential services and infrastructure against the needs of a growing population.

Yet, the 2009 draft Housing Element contains clear implications for greatly increased development, housing and population. Unless there is a clear plan for implementing the APFO, essential infrastructure and services may not be looked at seriously until it is too late for corrective action. In addition, the certainty of major budget cuts this year and in the future will undoubtedly create serious shortfalls between the County's growth and development objectives and its ability to fund the needed infrastructure and services. Therefore, plans for dealing with this contingency -- and what it is going to mean for taxpayers, real estate developers and others -- must be made clear now, not hinted at and left for some other occasion.

The CCCFH believes it is not in the County's interest to issue any development policy based on unrealistic assumptions about the adequacy of essential services and infrastructure. If we cannot provide what is needed to support more and higher-density residential and commercial activity, then no amount of connectivity, diversity, environment or design will attract businesses or residents here. And the Housing Element will not be a credible policy or planning tool.

#### (4) RE-DRAFT HOUSING ELEMENT AND RE-OPEN PUBLIC HEARINGS:

The draft Housing Element has been waiting for PHED Committee and Council action for almost two years. The PHED and Council would like to clear this off the agenda, before budget season begins. However, the CCCFH believes there are good reasons why approval of the Housing Element should be postponed, and public hearings should be re-opened.

First, the draft Housing Element was the product of a previous Planning Board and Planning Commission Chair. The current Board and Commission Chair should have a chance to up-date and shape the Housing Element according to their own priorities. After two years, it is unlikely that members of the PHED Committee will recall the details of previous hearings and discussions about the Housing Element. And new County Councilmembers will not have had time to become familiar with the proposed Housing Element, or consult with their constituents, before being asked to approve it.

The January 18, 2011 staff packet for the March 7 and 14 PHED Committee reviews of the Housing Element laid out various questions and issues for consideration. But it does not question some of the major directional, policy and regulatory changes being proposed. Time pressures should not cause the PHED to limit its deliberations to the questions in the staff packet, or the review will be grossly incomplete.

For example, the draft Housing Element makes increasing all kinds of affordable housing in every residential zone the top policy priority over the next 20 years. This is a substantial departure from previous Housing Elements which took a more balanced policy approach. The topic of affordable housing is very complex. There is not even agreement on what constitutes affordable housing, or what the eligibility criteria and income cut-off should be for the many different affordable housing types. More expert analysis, informed by experience, is needed to determine if a major push for affordable housing in all residential zones is feasible.

(do)

In addition, the staff packet for the PHED Committee lacks sufficient information on the prior (July 2009) public hearings. There seems to be no transcript available, which leaves the PHED and Council at a disadvantage, with only the written testimony of three citizens' groups, HOC and the County Executive's comments. The PHED should be working from a full, up-to-date array of comments and analysis from other County agencies and the public.

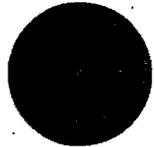
The circumstances in which this Housing Element comes for review have changed substantially in the past two years. The dire financial predicament the County is facing will probably determine the shape of programs and priorities for a long time to come. The PHED and Council should have the analysis available to re-evaluate the Housing Element in light of severe new realities, after the budget season is over.

The Housing Element proposes far-reaching policy changes that are not supported by data or experience. The PHED Committee and Council will need more information to analyze the implications for the zoning code, implementation, and resource allocation. With much at stake, the PHED and Council need to identify the many information gaps in the present draft, and send the Housing Element back to the Planning Board for more in-depth analysis, before approving policies that could impact so many communities negatively. Lack of a new Housing Element hasn't stopped the M-NCPPC and Council from approving new zoning code changes to keep development moving; and the draft Housing Element has already waited two years with no ill effects. It can wait another six months, or however long it takes to get it right.

Marin, Sandra

From: Ervin's Office, Councilmember  
Sent: Wednesday, March 09, 2011 4:43 PM  
To: Montgomery County Council  
Subject: FW: Chevy Chase West urges rejection of proposed Housing Policy

061106



-----Original Message-----

From: Naomi Spinrad [mailto:nspinrad68@verizon.net]  
Sent: Wednesday, March 09, 2011 4:42 PM  
To: Floreen's Office, Councilmember; Leventhal's Office, Councilmember; Elrich's Office, Councilmember  
Cc: Berliner's Office, Councilmember; Ervin's Office, Councilmember  
Subject: Chevy Chase West urges rejection of proposed Housing Policy

Dear Councilmember Floreen, Councilmember Leventhal, and Councilmember Elrich,

On behalf of the Chevy Chase West Neighborhood Association, I am writing to express our opposition to the proposed changes in the Housing Element of the General Plan, and in support of the position of the Citizens Coordinating Committee for Friendship Heights as expressed in that organization's recent letter to you.

CCW believes that the proposed changes, formulated prior to the current economic slump, do not represent a realistic policy vision and would cause great injury to existing residential neighborhoods for the reasons elucidated by CCCFH.

We also note that in the face of broad opposition to such elements of the zoning rewrite as tandem and cottage housing, the Planning Board withdrew these elements from the rewrite. We have to question why they are now included - albeit described as accessory units - in the Housing Policy proposals as "by-right" development.

Indeed, the concept of "by-right" has permeated every recent proposal from the Planning Board, in direct contrast to the traditions of the county. Eliminating public hearings and comment reflects a merging of developer-oriented policy and government by fiat, and a shutting out of the community that is inimical to the democratic (small d) precedents here.

We believe the proposed changes do not protect CCW from the impact of new development, do not account for the true costs of accessory units to local communities or to the county, and do not appropriately address the serious issues of adequate infrastructure (schools, transportation, and amenities). In light of these deficiencies, we fully support CCCFH's call for the PHED committee to identify areas and issues for improved analysis by the Planning Board, to be followed by a more realistic draft Housing Element and hearings on same.

Thank you for your attention to our concerns.

Sincerely,

Naomi Spinrad  
Vice President, Development, Chevy Chase West Neighborhood Association

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2011 MAR 10 AM 8:5

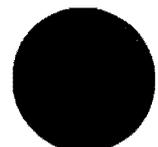
(68)

Tally 3 rec'd

Delgado, Annette

From: Ervin's Office, Councilmember  
Sent: Thursday, March 10, 2011 8:56 AM  
To: Montgomery County Council  
Subject: FW: (No subject)

061119



-----Original Message-----

From: mrradr@aol.com [mailto:mrradr@aol.com]  
Sent: Thursday, March 10, 2011 8:50 AM  
To: Floreen's Office, Councilmember; Elrich's Office, Councilmember; Leventhal's Office, Councilmember; Berliner's Office, Councilmember; Ervin's Office, Councilmember  
Subject: (No subject)

Dear Councilmembers Floreen, Elrich, Leventhal, Berliner and Ervin: As a resident of Chevy Chase West, a neighborhood of nearly 500 homes just west of Wisconsin Avenue between Friendship Heights and Bethesda, I write urging you to keep in the Housing Element of the General Plan the existing neighborhood protection strategies (including but not limited to channeling through traffic away from residential streets; discouraging spill-over parking from non-residential areas; and allowing only planning uses at the edges of high-density centers that are compatible with existing neighborhoods), to reject the proposal to allow affordable housing in all residential neighborhoods, and to reject the proposal that would allow accessory units/apartments in any residential zoning area by right.

In addition to the damage the proposed changes would do to my community and other established residential neighborhoods in the county, they are, I believe, grounded in unrealistic assumptions about our infrastructure (public utilities, transportation, education, etc.) and the economy.

The elimination of community input in the proposed changes is a drastic alteration in the way the county has traditionally operated. The lack of hearings to elicit public comment on the proposed changes is equally appalling. I urge the PHED committee to return the current Housing Policy proposal to the Planning Board for further analysis, hearings and public comment, and that at such time as it returns to the Council, the Council hold public hearings as part of its considerations.

Sincerely,  
Monika and Alan Rosenfeld  
4615 Hunt Ave  
Chevy Chase, Md. 20815  
301-941-8108

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MAR 10 AM 9:04

(69)

**Delgado, Annette**

**From:** Ervin's Office, Councilmember  
**Sent:** Thursday, March 10, 2011 8:58 AM  
**To:** Montgomery County Council  
**Subject:** FW: General Plan Changes

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MONTGOMERY COUNTY  
2011 MAR 10 AM 9:04

-----Original Message-----

**From:** Maya Larson [mailto:maya.ian99@yahoo.com]  
**Sent:** Wednesday, March 09, 2011 8:30 PM  
**To:** Floreen's Office, Councilmember  
**Cc:** Berliner's Office, Councilmember; Ervin's Office, Councilmember  
**Subject:** General Plan Changes

Dear Councilmembers Floreen, Elrich, and Leventhal:

As a resident of Chevy Chase West, a neighborhood of nearly 500 homes just west of Wisconsin Avenue between Friendship Heights and Bethesda, I write urging you to keep in the Housing Element of the General Plan the existing neighborhood protection strategies (including but not limited to channeling through traffic away from residential streets; discouraging spill-over parking from non-residential areas; and allowing only planning uses at the edges of high-density centers that are compatible with existing neighborhoods), to reject the proposal to allow affordable housing in all residential neighborhoods, and to reject the proposal that would allow accessory units/apartments in any residential zoning area by right.

In addition to the damage the proposed changes would do to my community and other established residential neighborhoods in the county, they are, I believe, grounded in unrealistic assumptions about our infrastructure (public utilities, transportation, education, etc.) and the economy.

The elimination of community input in the proposed changes is a drastic alteration in the way the county has traditionally operated. The lack of hearings to elicit public comment on the proposed changes is equally appalling. I urge the PHED committee to return the current Housing Policy proposal to the Planning Board for further analysis, hearings and public comment, and that at such time as it returns to the Council, the Council hold public hearings as part of its considerations.

Sincerely,

Maya and Ian Burns

4804 Morgan Dr  
Chevy Chase MD 20815

3/10/2011

70

**Delgado, Annette**

**From:** Ervin's Office, Councilmember  
**Sent:** Thursday, March 10, 2011 8:59 AM  
**To:** Montgomery County Council  
**Subject:** FW: Chevy Chase resident

-----Original Message-----

**From:** Wendie Smith [mailto:wendiesmith@hotmail.com]  
**Sent:** Wednesday, March 09, 2011 5:37 PM  
**To:** Floreen's Office, Councilmember; Elrich's Office, Councilmember; Leventhal's Office, Councilmember; Berliner's Office, Councilmember; Ervin's Office, Councilmember  
**Subject:** Chevy Chase resident

Dear Council members:

As a resident of Chevy Chase West, a neighborhood of nearly 500 homes just west of Wisconsin Avenue between Friendship Heights and Bethesda, I write urging you to keep in the Housing Element of the General Plan the existing neighborhood protection strategies (including but not limited to channeling through traffic away from residential streets; discouraging spill-over parking from non-residential areas; and allowing only planning uses at the edges of high-density centers that are compatible with existing neighborhoods), to reject the proposal to allow affordable housing in all residential neighborhoods, and to reject the proposal that would allow accessory units/apartments in any residential zoning area by right.

In addition to the damage the proposed changes would do to my community and other established residential neighborhoods in the county, they are, I believe, grounded in unrealistic assumptions about our infrastructure (public utilities, transportation, education, etc.) and the economy.

The elimination of community input in the proposed changes is a drastic alteration in the way the county has traditionally operated. The lack of hearings to elicit public comment on the proposed changes is equally appalling. I urge the PHED committee to return the current Housing Policy proposal to the Planning Board for further analysis, hearings and public comment, and that at such time as it returns to the Council, the Council hold public hearings as part of its considerations.

Sincerely,  
Wendie Smith  
4602 Norwood Drive  
Chevy Chase, MD 20815

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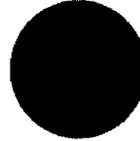
2011 MAR 10 AM 9:04

21

**Marin, Sandra**

**From:** Ervin's Office, Councilmember  
**Sent:** Thursday, March 10, 2011 9:14 AM  
**To:** Montgomery County Council  
**Subject:** FW: Changes to Housing Policy

061129



-----Original Message-----

**From:** Moss, Abigail J. (CDC/OSELS/NCHS) [mailto:ajm1@cdc.gov]  
**Sent:** Thursday, March 10, 2011 9:10 AM  
**To:** Councilmember.Elrich@montgomerycountymd.gov Councilmember.Leventhal  
**Cc:** Ervin's Office, Councilmember; Berliner's Office, Councilmember  
**Subject:** Changes to Housing Policy

Dear Councilmembers Elrich, and Leventhal,

As a resident of Chevy Chase West, a neighborhood of nearly 500 homes just west of Wisconsin Avenue between Friendship Heights and Bethesda, I write urging you to keep in the Housing Element of the General Plan the existing neighborhood protection strategies (including but not limited to channeling through traffic away from residential streets; discouraging spill-over parking from non-residential areas; and allowing only planning uses at the edges of high-density centers that are compatible with existing neighborhoods), to reject the proposal to allow affordable housing in all residential neighborhoods, and to reject the proposal that would allow accessory units/apartments in any residential zoning area by right. In addition to the damage the proposed changes would do to my community and other established residential neighborhoods in the county, they are, I believe, grounded in unrealistic assumptions about our infrastructure (public utilities, transportation, education, etc.) and the economy. The elimination of community input in the proposed changes is a drastic alteration in the way the county has traditionally operated. The lack of hearings to elicit public comment on the proposed changes is equally appalling. I urge the PHED committee to return the current Housing Policy proposal to the Planning Board for further analysis, hearings and public comment, and that at such time as it returns to the Council, the Council hold public hearings as part of its considerations.

Sincerely,

Abigail J. Moss

4605 Hunt Ave.

Chevy Chase, Md. 20815

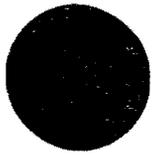
Housing

LAM  
cc

Guthrie, Lynn

From: Ervin's Office, Councilmember  
Sent: Friday, March 04, 2011 11:31 AM  
To: Montgomery County Council  
Subject: FW: HOUSING POLICY--PHED MTG

061001



-----Original Message-----

From: pietym@rcn.com [mailto:pietym@rcn.com]  
Sent: Friday, March 04, 2011 11:26 AM  
To: Floreen's Office, Councilmember; Elrich's Office, Councilmember; Leventhal's Office, Councilmember; Ervin's Office, Councilmember; Andrew's Office, Councilmember; Berliner's Office, Councilmember; Navarro's Office, Councilmember; Rice's Office, Councilmember; Riemer's Office, Councilmember  
Subject: HOUSING POLICY--PHED MTG

Re: Housing Policy PHED mtg

1. Sligo-Branview Community Association urges you to REJECT accessory apartments by right in the Housing Policy. The conditions and neighborhood protections in the current law are very much needed to protect established neighborhoods.
2. Sligo-Branview also strongly urges you to HOLD ANOTHER PUBLIC HEARING on the Housing Policy before approving any changes to it. The original hearing was held two years ago and there have been changes in both the Council and Planning Board since that hearing. It is appropriate that the current Council have the opportunity to hear residents' views on this issue and that residents have the opportunity to express their views to this Council.

Marilyn Piety, Chair  
Land Use and Zoning Committee  
Sligo-Branview Community Association

2011 MAR -7 AM 8:55  
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(73)

Guthrie, Lynn

**From:** Ervin's Office, Councilmember  
**Sent:** Thursday, March 03, 2011 9:04 AM  
**To:** Montgomery County Council  
**Subject:** FW: accessory apartments

060956



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2011 MAR -3 PM 1:54

-----Original Message-----

**From:** woody brosnan [mailto:woodybrosnan@verizon.net]  
**Sent:** Thursday, March 03, 2011 9:03 AM  
**To:** Ervin's Office, Councilmember; Floreen's Office, Councilmember  
**Subject:** accessory apartments

Woody Brosnan, past president of North Woodside Montgomery Hills Citizens Association, wrote,

I understand that you have received communications opposing the change to allow accessory apartments by right instead of by special exception. I want to let you know that I support the change. I don't know of a single instance in my neighborhood where a neighbor has objected to someone renting out a portion of their owner-occupied house. In fact, our listserve frequently has messages from residents looking for temporary housing for a friend. One of my recently-widowed neighbors just rented a room to a visiting professor at American University.

In these difficult times, I think we need to make it easier for homeowners to find the money to stay in their homes and increase the supply of affordable housing. Common sense suggests that this will not cause a surge in accessory apartments. Most people do not want to deal with boarders.

I strongly opposed the consultant's report that recommended vast changes in the R-60 zones, including tandem housing and ~~retail~~ grocery stores. I was grateful that the planning board withdrew that proposal from the zoning re-write. But that does not mean I oppose any change to our zoning laws. I would rather have the zoning appeals process deal with mansions and big developments, not individual homeowners who want to rent out a room.

**McMillan, Linda**

---

**From:** Floreen's Office, Councilmember  
**Sent:** Tuesday, March 01, 2011 12:09 PM  
**To:** McMillan, Linda  
**Subject:** FW: Draft Revision of the Housing Element of the General Plan

Rebecca Lord  
Aide to Councilmember Nancy Floreen  
100 Maryland Avenue  
Rockville, Maryland 20850  
240 777-7801  
240 777-7989 (fax)

-----Original Message-----

**From:** Robert Rosenberg [mailto:rosyjapan@yahoo.com]  
**Sent:** Tuesday, March 01, 2011 6:38 AM  
**To:** Floreen's Office, Councilmember; Elrich's Office, Councilmember; Leventhal's Office, Councilmember  
**Subject:** Draft Revision of the Housing Element of the General Plan

Councilmembers,

It is my understanding that the County Council's PHED (Planning, Housing, and Economic Development) Committee has scheduled worksessions for March 7 and 14 to consider a draft revision of the Housing Element of the General Plan. The draft revision would remove strategies that currently exist in the Housing Element which are designed to preserve and protect residential neighborhoods in the county, and the draft would recommend allowing accessory apartments in residential zones by-right (rather than by current Special Exception process which lets neighbors and community groups weigh-in).

It seems to me that implementing these proposed changes will either intentionally or unintentionally have the cynical impact of undermining our communities and prevent communities from having any say in the process.

Therefore, I strongly request that you retain the neighborhood protection strategies currently in the Housing Element of the General Plan (i.e.; channel through traffic away from residential streets, discourage spill-over parking from non-residential areas, plan uses at the edges of high-density centers that are compatible with existing neighborhoods); and keep accessory apartments by Special Exception.

Rob Rosenberg  
741 Silver Spring Avenue

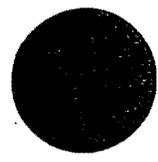
LAM

Housing

Guthrie, Lynn

From: Lwannemach@aol.com  
Sent: Monday, February 28, 2011 3:39 PM  
To: Montgomery County Council  
Subject: NO apartment conversions

060854



That you Council members are even considering this is VERY discouraging. It is pretty obvious that MC officials have no idea of the importance of maintaining our RESIDENTIAL property values. Well, it's time that we need to make you aware of the importance of your diligence in protecting our investments in MC. As things now stand, our County is deteriorating in comparison with neighboring jurisdictions and we look to you to reverse that.

How about this - instead of relaxing measures to protect the residential tax base why don't you and Mr. Leggett remind all residents of the need to inform the County of housing code violations. As things now stand most residents have no faith in the County's willingness to protect our homes. Many are moving to Virginia and Howard County where values are protected. You need to do just the opposite of what you are contemplating. Come on! You can do it! We are not here to be the only county that places the welfare of non-residents over those of people who have made the investment purchasing a home in MC.

Please, protect us or get out of office and make room for someone who will.

Larry Wannemacher

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2011 FEB 28 PM 4:34

76

**McMillan, Linda**

**From:** Lise Tracey [ltracey@affordablehousingconference.org]  
**Sent:** Wednesday, March 02, 2011 2:20 PM  
**To:** McMillan, Linda  
**Subject:** Action Alert from Affordable Housing Conference of Montgomery County

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## Affordable Housing Conference of Montgomery County

**Action Alert**

### Action Alert from Affordable Housing Conference of Montgomery County

Montgomery County's Planning, Housing and Economic Development Committee (PHED) will be discussing the Housing Element of the General plan on March 7 and 14<sup>th</sup> with the hope of bringing it to the full Council sometime in April.

The general plan refinement

([http://www.montgomerycountymd.gov/content/council/pdf/agenda/cm/2011/110120/20110120\\_PHED1.pdf](http://www.montgomerycountymd.gov/content/council/pdf/agenda/cm/2011/110120/20110120_PHED1.pdf)) recommends revised goals and objectives. Apart from its focus on transit oriented development, and support for existing neighborhoods, there is a focus on affordable housing and accessory apartments. We are encouraging you to let the PHED committee members (Nancy Floreen, Marc Elrich and George Leventhal) know of our unrelenting concern about the pressing need for affordable housing, and the critical importance of eliminating all barriers to its production, maintenance and expansion. Also, of particular interest is making accessory apartments permissible. Real life stories and general advocacy would be very helpful. Please contact them at these addresses: [Councilmember.floreen@montgomerycountymd.gov](mailto:Councilmember.floreen@montgomerycountymd.gov), [Councilmember.elrich@montgomerycountymd.gov](mailto:Councilmember.elrich@montgomerycountymd.gov), [Councilmember.leventhal@montgomerycountymd.gov](mailto:Councilmember.leventhal@montgomerycountymd.gov). Please let us know if you need additional information.

Contact Lise Tracey, at 301-520-1587  
or [ltracey@affordablehousingconference.org](mailto:ltracey@affordablehousingconference.org)

The Affordable Housing Conference of Montgomery County (AHCMC) is proud to celebrate 20 years of creating, expanding and improving affordable housing opportunities in Montgomery County - through education, advocacy and collaboration.

Join us at our 20th annual Housing Summit on Monday, May 9, 2011 at the Bethesda North Marriott Conference Center. Registration is available online at [www.affordablehousingconference.org](http://www.affordablehousingconference.org).

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| P.O. Box 2021 | Kensington | Maryland | 20891

77

**Delgado, Annette**

**From:** Matthew R Bowsher [matthew\_bowsher@freddiemac.com]

**Sent:** Monday, March 14, 2011 10:24 AM

**To:** Andrew's Office, Councilmember; Berliner's Office, Councilmember; Elrich's Office, Councilmember; Ervin's Office, Councilmember; Floreen's Office, Councilmember; Rice's Office, Councilmember; Riemer's Office, Councilmember; Leventhal's Office, Councilmember; Navarro's Office, Councilmember; Montgomery County Council

**Subject:** Proposed New Housing Element of the General Plan

To the County Council:

As resident of the Brookdale community in Bethesda, I write urging members of the PHED Committee and the County Council to include in the proposed new Housing Element of the General Plan clear protections for our neighborhoods. These should include requirements that all planning and permitting for high-density development, (such as that anticipated at our local Westbard shopping center) will:

1. ensure compatibility with adjacent and near-by communities;
2. protect the stability and character of these communities;
3. prohibit negative impacts, e.g. cut-through traffic and spill-over traffic; and
4. involve the residents of the communities actively in planning and design of such projects.

3/14/2011 10:24 AM  
 Matthew R. Bowsher  
 5321 Baltimore Avenue  
 Chevy Chase, MD 20815  
 301-953-1234  
 www.matthewbowsher.com

While County zoning ordinance does not prohibit affordable housing in residential zones, we strongly oppose the proposal to approve rental Accessory Apartments in residential communities By Right. This would mean residents would have no way of knowing what was planned, and no way to express legitimate concerns about potential negative impacts on their own property or the community. It is essential to keep the current "By Exception" procedure which prohibits approval of a rental Accessory Apartment application without first allowing residents to be heard, and receive appropriate relief, through a formal Appeals Board hearing.

The draft Housing Element assumes adequate public infrastructure and services (roads, transit, schools) will be present as needed, to support increased high-density development and population growth. Unfortunately, our infrastructure and services are strained trying to serve the population we already have. The County's budget constraints will severely curtail future strengthening or expansion of infrastructure and services. And the new Housing policy simply will not be credible, unless it makes clear how essential supporting infrastructure and services will be provided, so our fragile systems are not overwhelmed.

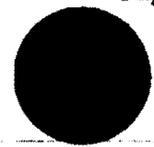
I appreciate your thought and consideration of these concerns.

Sincerely,

Matthew R. Bowsher  
5321 Baltimore Avenue, Chevy Chase, MD

Housing

Tally  
Freed



2/11/11  
cc

**Guthrie, Lynn**

**From:** Bowsher, Marina [MBowsher@crowell.com]

**061216**

**Sent:** Friday, March 11, 2011 2:11 PM

**To:** Andrew's Office, Councilmember; Berliner's Office, Councilmember; Elrich's Office, Councilmember; Ervin's Office, Councilmember; Floreen's Office, Councilmember; Rice's Office, Councilmember; Riemer's Office, Councilmember; Leventhal's Office, Councilmember; Navarro's Office, Councilmember; Montgomery County Council

**Subject:** Proposed New Housing Element of the General Plan

To the County Council:

As resident of the Brookdale community in Bethesda, I write urging members of the PHED Committee and the County Council to include in the proposed new Housing Element of the General Plan clear protections for our neighborhoods. These should include requirements that all planning and permitting for high-density development, (such as that anticipated at our local Westbard shopping center) will:

1. ensure compatibility with adjacent and near-by communities;
2. protect the stability and character of these communities;
3. prohibit negative impacts, e.g. cut-through traffic and spill-over traffic; and
4. involve the residents of the communities actively in planning and design of such projects.

While County zoning ordinance does not prohibit affordable housing in residential zones, we strongly oppose the proposal to approve rental Accessory Apartments in residential communities By Right. This would mean residents would have no way of knowing what was planned, and no way to express legitimate concerns about potential negative impacts on their own property or the community. It is essential to keep the current "By Exception" procedure which prohibits approval of a rental Accessory Apartment application without first allowing residents to be heard, and receive appropriate relief, through a formal Appeals Board hearing.

The draft Housing Element assumes adequate public infrastructure and services (roads, transit, schools) will be present as needed, to support increased high-density development and population growth. Unfortunately, our infrastructure and services are strained trying to serve the population we already have. The County's budget constraints will severely curtail future strengthening or expansion of infrastructure and services. And the new Housing policy simply will not be credible, unless it makes clear how essential supporting infrastructure and services will be provided, so our fragile systems are not overwhelmed.

I appreciate your thought and consideration of these concerns.

Sincerely,  
Marina K. Bowsher  
5321 Baltimore Avenue, Chevy Chase, MD

79

**Guthrie, Lynn**

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**From:** Ervin's Office, Councilmember  
**Sent:** Friday, March 11, 2011 3:17 PM  
**To:** Montgomery County Council  
**Subject:** FW: Housing Element of the General Plan

-----Original Message-----

**From:** Dawn Sikkema [mailto:pdsikkema@gmail.com]  
**Sent:** Friday, March 11, 2011 3:23 PM  
**To:** Floreen's Office, Councilmember; Elrich's Office, Councilmember; Leventhal's Office, Councilmember; Ervin's Office, Councilmember; Berliner's Office, Councilmember; Andrew's Office, Councilmember; Navarro's Office, Councilmember; Rice's Office, Councilmember; Riemer's Office, Councilmember  
**Subject:** Housing Element of the General Plan

As a resident of the Brookdale community in Chevy Chase, I am writing to urge the members of the PHED Committee and the County Council to include in the proposed new Housing Element of the General Plan clear protections for our neighborhoods. These should include requirements that all planning and permitting for high-density development, (such as that anticipated at our local Westbard shopping center) will ensure compatibility with adjacent and near-by communities; will protect the stability and character of these communities; will prohibit negative impacts, e.g. cut-through traffic and spill-over traffic; and will involve the residents of the communities actively in the planning and design of such projects. While there is no County zoning ordinance that prohibits affordable housing in residential zones, we strongly oppose the proposal to approve rental Accessory Apartments in residential communities By Right. Such a provision would mean that residents would have no way of knowing what was planned, and no way to express any legitimate concerns about potential negative impacts on their own property or on the community. It is essential to keep the current "By Exception" procedure which prohibits approval of a rental Accessory Apartment application without first allowing residents to be heard, and receive appropriate relief, through a formal Appeals Board hearing. Furthermore, the draft Housing Element assumes adequate public infrastructure and services (roads, transit, schools) will be present as needed to support increased high-density development and population growth. Unfortunately, our infrastructure and services are now strained trying to serve the population that we already have. As you know all too well, the County's budget constraints will severely curtail future strengthening or expansion of infrastructure and services. The new Housing policy will not be credible unless it sets out in clear terms how the essential supporting infrastructure and services will be provided and funded so that our fragile systems are not overwhelmed.

Dawn Sikkema  
5203 Murray Road  
Chevy Chase, MD 20815



**Delgado, Annette**

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**From:** Ervin's Office, Councilmember  
**Sent:** Monday, March 14, 2011 9:06 AM  
**To:** Montgomery County Council  
**Subject:** FW: Housing Element

-----Original Message-----

**From:** Jean Cavanaugh [mailto:jeancavanaugh@fastmail.fm]  
**Sent:** Sunday, March 13, 2011 9:16 PM  
**To:** Floreen's Office, Councilmember; Elrich's Office, Councilmember; Leventhal's Office, Councilmember  
**Cc:** Ervin's Office, Councilmember  
**Subject:** Housing Element

Dear PHED members,

I am writing to ask you to consider two very important issues when reviewing the Housing Element rewrite over the next two weeks.

**1. Please retain Objective 5 in the current Housing Element:**

Maintain and enhance the quality and safety of housing and neighborhoods.

- A. Discourage deterioration of housing through well-funded code enforcement, neighborhood improvement programs, and other appropriate techniques.
- B. Ensure that infill development and redevelopment complements existing housing and neighborhoods.
- C. Mix housing with other uses with special care in ways that promote compatibility and concern for residents' needs for safety, privacy, and attractive surroundings when introducing new uses into older neighborhoods.
- D. Provide for appropriate redevelopment of residential property when conditions warrant.
- E. Protect residential neighborhoods by channeling through traffic away from residential streets and discouraging spill-over parking from non-residential areas.
- F. Use special care to plan uses at the edges of high-density centers that are compatible with existing neighborhoods.

With increased densities coming to CBDs, and developers getting bonus points for reducing parking spaces, neighborhoods surrounding CBDs need the protections listed above more than ever. We need restricted parking so people aren't given a reason to drive their cars, and we need traffic diverted away from our neighborhoods to protect the safety of the children, cyclists, dog walkers and other non-motorized traffic that share these often narrow neighborhood streets that don't have sidewalks.

**2. Please retain special exception process for accessory apartments.**

The public needs a channel to weigh in on what happens in their neighborhood, and the County needs a mechanism for tracking accessory apartments to make sure they are up to code, not violating anyone's rights, ie EEO and landlord-tenante agreements, and to collect tax revenue. i believe there will be lower compliance registering accessory apartments than without the special exception process. Special exception process could be reviewed and simplified if that is considered a barrier to "affordable housing."

Thank you for considering my requests.

Jean Cavanaugh  
9207 Worth Avenue  
Silver Spring, MD  
301-588-0409

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Jean Cavanaugh  
[jeancavanaugh@fastmail.fm](mailto:jeancavanaugh@fastmail.fm)

**Delgado, Annette**

**From:** Ervin's Office, Councilmember  
**Sent:** Monday, March 14, 2011 9:41 AM  
**To:** Montgomery County Council  
**Subject:** FW: Proposed New County Housing Policy

-----Original Message-----

**From:** Elizabeth Dietel [mailto:endjed2@gmail.com]  
**Sent:** Monday, March 14, 2011 9:38 AM  
**To:** Floreen's Office, Councilmember; Elrich's Office, Councilmember; Leventhal's Office, Councilmember; Ervin's Office, Councilmember; Berliner's Office, Councilmember; Andrew's Office, Councilmember; Navarro's Office, Councilmember; Rice's Office, Councilmember; Riemer's Office, Councilmember  
**Subject:** Proposed New County Housing Policy

March 14, 2011

To the County Council:

As residents of the Westmoreland Hills community in Bethesda, I write urging members of the PHED Committee and the County Council to include in the proposed new Housing Element of the General Plan clear protections for our neighborhoods. These should include requirements that all planning and permitting for high-density development, such as that anticipated at our local Westbard shopping center, will: (1) ensure compatibility with adjacent and near-by communities; (2) protect the stability and character of these communities; (3) prohibit negative impacts, e.g. cut-through traffic and spill-over traffic; (4) and involve the residents of the communities actively in planning and design of such projects.

While County zoning ordinance does not prohibit affordable housing in residential zones, we strongly oppose the proposal to approve rental Accessory Apartments in residential communities By Right. This would mean residents would have no way of knowing what was planned, and no way to express legitimate concerns about potential negative impacts on their own property or the community. It is essential to keep the current "By Exception" procedure which prohibits approval of a rental Accessory Apartment application without first allowing residents to be heard, and receive appropriate relief, through a formal Appeals Board hearing.

The draft Housing Element assumes adequate public infrastructure and services (roads, transit, schools) will be present as needed, to support increased high-density development and population growth. Unfortunately, our infrastructure and services are strained trying to serve the population we've already got. The County's budget constraints will severely curtail future strengthening or expansion of infrastructure and services. And the new Housing policy simply will not be credible, unless it makes clear how essential supporting infrastructure and services will be provided, so our fragile systems are not overwhelmed.

Since we moved to Montgomery County in 1984, we have seen our property taxes rise dramatically while our services have declined precipitously. Massachusetts Avenue has become a major commuter artery, yet the speed limit remains at 35 mph. Other commuter avenues (i.e., Connecticut) have reduced the speed limit through residential areas and installed very effective traffic control cameras, a great source of revenue. Westmoreland Hills Citizens Association cannot even get the police to patrol this area to reduce speeding between Westmoreland Circle and Westbard Ave. and in our neighborhood. Our schools, once the best in the County, are overcrowded. Our residential streets are in disrepair. Our library hours have been reduced. What will happen with more uncontrolled residential growth?

We urge you to uphold the rights of those citizens who bear a huge portion of the County tax burden. Please  
 3/14/2011

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serve your constituents by allowing us to be part of the planning process in our own neighborhoods.

Sincerely,

Elizabeth and Edwin Dietel  
5109 Duvall Drive  
Bethesda, MD 20816-1877

3/14/2011

84

**Delgado, Annette**

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**From:** Ervin's Office, Councilmember  
**Sent:** Monday, March 14, 2011 9:08 AM  
**To:** Montgomery County Council  
**Subject:** FW: Draft Revision of the Housing Element of the General Plan  
**Importance:** High

RECEIVED  
MONTGOMERY COUNTY COUNCIL  
MARCH 14 2011 9:08 AM

-----Original Message-----

**From:** Helene Brett [mailto:H\_Brett@verizon.net]  
**Sent:** Saturday, March 12, 2011 8:38 PM  
**To:** Floreen's Office, Councilmember; Elrich's Office, Councilmember; Leventhal's Office, Councilmember; Ervin's Office, Councilmember  
**Subject:** Draft Revision of the Housing Element of the General Plan  
**Importance:** High

Dear Councilmembers,

I've been a Montgomery County resident for more than thirty years. Recently I have learned that the County Council is considering revisions to the Housing Element of the General Plan. I am very concerned about this and therefore feel I must relay this grave concern to you now.

I urge you to:

1. retain the neighborhood protection strategies currently in the Housing Element of the General Plan (i.e., channel through traffic away from residential streets, discourage spill-over parking from non-residential areas, plan uses at the edges of high-density centers that are compatible with existing neighborhoods and,
2. Keep accessory apartments by Special Exception

I urge you to support objectives in the General Plan Housing Element that will preserve and protect our residential neighborhoods - the very features that have attracted families and individuals to settle and stay here, as I have, for decades.

Respectfully,

Helene Brett  
12900 Bluet Lane  
Silver Spring, MD 20906

3/14/2011

85

**Delgado, Annette**

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**From:** Ervin's Office, Councilmember  
**Sent:** Monday, March 14, 2011 9:09 AM  
**To:** Montgomery County Council  
**Subject:** FW: Re Housing Element of County Land Use Planning

RECEIVED  
MONTGOMERY COUNTY COUNCIL  
MARCH 14 2011

-----Original Message-----

**From:** Anne Mehringer [mailto:amehring@ix.netcom.com]  
**Sent:** Saturday, March 12, 2011 11:47 AM  
**To:** Ervin's Office, Councilmember  
**Subject:** Re Housing Element of County Land Use Planning

To the County Council:

As resident of the Green Acres community in Bethesda, I write urging members of the PHED Committee and the County Council to include in the proposed new Housing Element of the General Plan clear protections for our neighborhoods. These should include requirements that all planning and permitting for high-density development, (such as that anticipated at our local Westbard shopping center) will: ensure compatibility with adjacent and near-by communities; protect the stability and character of these communities; prohibit negative impacts, e.g. cut-through traffic and spill-over traffic; and involve the residents of the communities actively in planning and design of such projects.

While County zoning ordinance does not prohibit affordable housing in residential zones, we strongly oppose the proposal to approve rental Accessory Apartments in residential communities By Right. This would mean residents would have no way of knowing what was planned, and no way to express legitimate concerns about potential negative impacts on their own property or the community. It is essential to keep the current "By Exception" procedure which prohibits approval of a rental Accessory Apartment application without first allowing residents to be heard, and receive appropriate relief, through a formal Appeals Board hearing.

The draft Housing Element assumes adequate public infrastructure and services (roads, transit, schools) will be present as needed, to support increased high-density development and population growth. Unfortunately, our infrastructure and services are strained trying to serve the population we've already got. The County's budget constraints will severely curtail future strengthening or expansion of infrastructure and services. And the new Housing policy simply will not be credible, unless it makes clear how essential supporting infrastructure and services will be provided, so our fragile systems are not overwhelmed.

--

**Anne Mehringer**

5312 Allandale Road  
Bethesda, MD 20816

240-479-9030

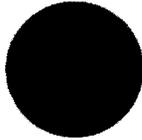
3/14/2011

86

**Delgado, Annette**

**From:** Ervin's Office, Councilmember  
**Sent:** Tuesday, March 15, 2011 10:45 AM  
**To:** Montgomery County Council  
**Subject:** FW: Housing Element:Retain Neighborhood Protections Keep Objective 5

061235



-----Original Message-----

**From:** Seven Oaks / Evanswood Citizens' Association [mailto:soeca.board@gmail.com]  
**Sent:** Tuesday, March 15, 2011 10:43 AM  
**To:** Floreen's Office, Councilmember; Elrich's Office, Councilmember; Leventhal's Office, Councilmember  
**Cc:** Ervin's Office, Councilmember; Kathleen Samiy  
**Subject:** Housing Element:Retain Neighborhood Protections Keep Objective 5

March 15, 2011  
Seven Oaks Evanswood Citizens' Association  
Silver Spring, Maryland

Dear Councilmembers:

I understand that the Council Planning, Housing, and Economic Development Committee (PHED) is meeting in March to discuss the Housing Element of the County-wide General "Master" Plan and that the full Council will vote on proposed changes to the Housing Element on March 29.

As President of the Seven Oaks Evanswood Civic Association I am deeply concerned. You are planning to make changes to the "Bible of sorts of County Zoning" and few if any residents are aware that the land protections they now enjoy could be pulled out quietly this month during Council Worksessions and by a Councilmembers VOTE--on an issue the residents no nothing about. Each resident should be notified of his current land rights and be told what could be changed in this document.

Seven Oaks Evanswood a neighborhood of 750 single family homes whose land lies in the green hills and valleys of the verdant Sligo Creek watershed. Our residents are directly vulnerable to changes in this Housing Element. Why? Because our historic neighborhood will be drastically changed if this Element is not retained.

Our neighborhood is one of THE original suburbs of the District of Columbia, created for middle income workers and to accomodate the post-World War II baby boom. It lies between the Capital Beltway and is abutting and adjacent to the Silver Spring CBD. Many of these residents, and gernations of their children still live in our neighborhood -- which is why it is stable and we pay our taxes and vote. Our neighborhood is NOT protected as Takoma Park, Garret Park and Chevy Chase --(some places where our Councilmembers live) which are incorporated cities inside of our County that have some self-determination. Our neighborhood is rezoned at the determination of the planners. Our neighborhoods' residents have little sway except to plead in letters and hope.

I ask that you RETAIN Element 5. The original suburban neighborhoods surrounding downtown are what keeps Silver Spring vital, vibrant, cohesive and stable. For years advocates such as Nancy Floreen have fought long and hard to protect our neighborhood from the encroachment of the CBD and infill and spillover development. You fought, so that the borders and edges of our community remain compatible (ie: removing a floor of a building at Cedar Street as deemed to high--remember Nancy?) Our residents are downtown's best customers--if only the decision makers and downtown managers will listen and work closely with us, then, it will be a win win for everyone. Please don't disrupt our neighborhood balance it is now in equilibrium, yet treated by development and infill developers on every edge, border, Park playground, open space and residential streets.

We ask that you remember your early days of street advocacy --- on the residents behalf-- and that you NOT remove Neighborhood protections from this document. We do not want our

neighborhood streets to be cut-through for CBD visitors to the "entertainment capital" downtown, or for the locals living in high rise infill apartments and condos downtown who traverse by car daily to work north of the Beltway, or through-put cars who are locked and stiopped in traffic on our State Highways (Colesville Road) to cut-through our community out of frustration. Nor do we want the Fillmore overflow concert cars, (remember the County is limiting parking garages and closing No. 21) and the summer entertainment destination drivers are expected to escalate May-September several times a week, so Peterson Company can fill its restaurants. These visitors will want to park on our streets --if you let them--please don't let this happen.

We want to maintain the reasonable level of housing in the R-60 zoning that will keep our neighborhood cohesive and stable. Our County thrives because of its special and unique neighborhoods, please don't mix them up with disjointed housing, transitional housing or infill, and cut-through traffic. Please retain the overriding protections expressly stated in Element 5 of the Housing Element in the Countywide General Master Plan and anywhere else that expressly states neighborhood protects in this document.

OBJECTIVE 5--Please keep these strategies and neighborhood protections.

Maintain and enhance the quality and safety of housing and neighborhoods.

#### Strategies

- A. Discourage deterioration of housing through well-funded code enforcement, neighborhood improvement programs, and other appropriate techniques.
- B. Ensure that infill development and redevelopment complements existing housing and neighborhoods.
- C. Mix housing with other uses with special care in ways that promote compatibility and concern for residents' needs for safety, privacy, and attractive surroundings when introducing new uses into older neighborhoods.
- D. Provide for appropriate redevelopment of residential property when conditions warrant.
- E. Protect residential neighborhoods by channeling through traffic away from residential streets and discouraging spill-over parking from non-residential areas.
- F. Use special care to plan uses at the edges of high-density centers that are compatible with existing neighborhoods.

Keep the keep special exception process for accessory apartments.

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This message was sent on behalf of the Seven Oaks / Evanswood Citizens' Association by Kathleen Samiy, Association President.



March 18, 2011

061364

Montgomery County Council  
Valerie Ervin  
100 Maryland Ave.,  
Rockville, MD 20850

Gregory Eisenstadt  
4010 Eltonfarm Rd.  
Brookeville, MD 20833

RECEIVED  
MONTGOMERY COUNTY  
COUNCIL  
2011 MAR 22 AM 8:49

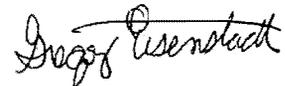
Dear Ms. Ervin,

I have recently been reading through the proposed new Housing Element of the General Plan. There are many excellent goals proposed therein. As well as a few specific proposals with which I have concerns. However, the item that concerns me the most is the lack of definitions of certain terms.

For example: the recommendation for "high density near transit". What is high density? My definition maybe totally different than my neighbors, or the County Councils, or the County Executives, or the Planning Boards, or most importantly, the current County Councils definition maybe totally different than a future County Councils. The same idea applies to the term "near transit". Since Garrett Park has a MARC train station, is Garrett Park "near Transit"? What about Boyds? I do not believe that this is what the current County Council or Planning Board or staff has in mind. These are only two examples of terms that I believe need definition in order to provide clear guidance for the future.

However, if the County Council does provide definitions of terms, a balance between too narrow or/and too broad a definition must be attempted. I do not believe that we, at present, should unduly restrict future generations. However we should give future generations clear guidance concerning our current vision of Montgomery County future.

Sincerely,



Gregory Eisenstadt

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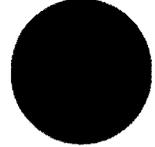
Housing

Delgado, Annette

LAM  
JZ

**From:** Ervin's Office, Councilmember  
**Sent:** Monday, March 21, 2011 9:25 AM  
**To:** Montgomery County Council  
**Subject:** FW: Zoning Code Rewrite Project

061365



-----Original Message-----

**From:** Kathleen [mailto:kathleen1234@gmail.com]  
**Sent:** Sunday, March 20, 2011 10:48 PM  
**To:** Ervin's Office, Councilmember  
**Subject:** Zoning Code Rewrite Project

Dear President Valerie Ervin - I understand that the County Council is rewriting the Housing Element of the General Plan. I request that the Council retain both the current Objective 5 and the current rules that accessory apartments be permitted only by special exception. Thank you - Kathleen Carroll

14813 Waterway Drive  
Rockville, MD 20853

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2011 MAR 21 PM 3:28

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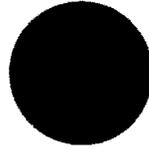
LAM  
JZ

**Guthrie, Lynn**

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**From:** Ervin's Office, Councilmember  
**Sent:** Tuesday, March 22, 2011 9:56 AM  
**To:** Montgomery County Council  
**Subject:** FW: Changes to the zoning code

**061410**



-----Original Message-----

**From:** dianekhancock@aol.com [mailto:dianekhancock@aol.com]  
**Sent:** Tuesday, March 22, 2011 9:52 AM  
**To:** Ervin's Office, Councilmember  
**Subject:** Changes to the zoning code

County Council President Valerie Ervin -

I have reviewed proposed changes to the zoning code and I am writing to request that the Council in approving the Housing Element retain both the current Objective 5 and current rules that accessory apartments are permitted only by special exception.

Diane K Hancock  
15229 Manor Lake Dr  
Rockville, MD 20853

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MONTGOMERY COUNTY  
COUNCIL

2011 MAR 22 PM 2: 21

91

Self-Zoning



MONTGOMERY COUNTY PLANNING BOARD  
THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

MWD  
CA  
SOF  
LOS -> LL  
SF  
LAM

OFFICE OF THE CHAIRMAN

July 30, 2009

The Honorable Phil Andrews, President  
Montgomery County Council  
Stella B. Warner Council Office Building  
100 Maryland Avenue  
Rockville, Maryland 20850

APR 21 PM 3:11  
COMMUNICATIONS SECTION

Dear Mr. Andrews:

I am pleased to transmit to you the Planning Board Draft of the Housing Element of the General Plan.

The Planning Board held a public hearing on the draft housing Element on April 23, 2009, and subsequently held two work sessions on June 18 and July 23. The proposed Housing Element addresses the changes in the County's priorities for future community development and preservation. The strategies proposed in the plan move Montgomery County towards a more sustainable future where people of modest means will be able to afford a home in walkable, mixed-used, and diverse communities. It brings the Housing Element of the General Plan in line with current planning frameworks at the county, state, and federal levels. More specifically, the Housing Element meets the requirements of the State of Maryland's 2006 Workforce Housing Grant Program, as required by House Bill 1160.

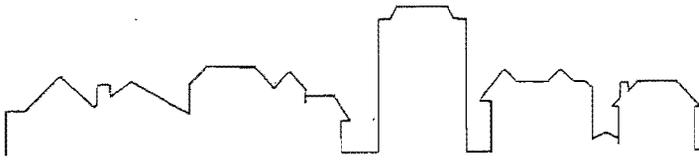
Should you have any questions about this draft or its supporting studies, please contact Sharon Suarez, the Department's housing coordinator at 301-650-5620 or [Sharon.Suarez@mncppc-mc.org](mailto:Sharon.Suarez@mncppc-mc.org), or Khalid Afzal, Acting Manager, Research Team at 301-495-4650.

Sincerely,

Royce Hanson  
Chairman

cc: The Honorable Isiah Leggett  
Montgomery County Executive

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# housing

Element of the General Plan



Planning Board Draft • July 2009  
montgomery county planning department  
The Maryland - National Capital Park and Planning Commission

planning board draft

## **housing element of the general plan**

An Amendment to the Housing Element of the 1993 General Plan Refinement

### ABSTRACT

This report contains the text of the Draft Amendment to the Housing Element of the 1993 General Plan Refinement. It amends *The General Plan (On Wedges and Corridors) for the Physical Development of the Maryland-Washington Regional District in Montgomery and Prince George's Counties*, as amended.

The Plan makes recommendations for housing in Montgomery County and identifies the policy objectives, regulatory reforms, and land use strategies needed to accomplish the recommendations. It is meant to satisfy the requirements of the House Bill 1160.

Also available at [www.montgomeryplanning.org/community/housing](http://www.montgomeryplanning.org/community/housing)

### **The Maryland-National Capital Park and Planning Commission**

The Maryland-National Capital Park and Planning Commission is a bi-county agency created by the General Assembly of Maryland in 1927. The Commission's geographic authority extends to the great majority of Montgomery and Prince George's Counties; the Maryland-Washington Regional District (M-NCPPC planning jurisdiction) comprises 1,001 square miles, while the Metropolitan District (parks) comprises 919 square miles, in the two counties.

The Commission is charged with preparing, adopting, and amending or extending *The General Plan (On Wedges and Corridors)* for the Physical development of the Maryland-Washington Regional District in Montgomery and Prince George's Counties.

The Commission operates in each county through Planning Boards appointed by the county government. The Boards are responsible for all local plans, zoning amendments, subdivision regulations, and administration of parks.

The Maryland-National Capital Park and Planning Commission encourages the involvement and participation of individuals with disabilities, and its facilities are accessible. For assistance with special needs (e.g., large print materials, listening devices, sign language interpretation, etc.), please contact the Community Outreach and Media Relations Division, 301-495-4600 or TDD 301-495-1331.

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## challenges and goals



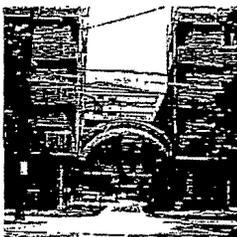
Housing values in Montgomery County are among the highest in the Washington Metropolitan area. This reflects both strong demand and the County's reputation for the high quality of services, environment, and neighborhoods. While the strength of the housing market has undergirded neighborhood stability and made a Montgomery home a sound investment, it has also produced a chronic shortage of housing that is affordable for much of the County's work force and other moderate and lower income households.



- 91 percent of the County's residential zoning capacity has been reached.
- By 2015, the County will have more than one million residents.
- By 2030, the County will need about 72,000 new housing units.
- Since 1999, rising home values have priced 50,000 existing housing units beyond the financial capacity of moderate-income households.
- The current rate of affordable housing production cannot keep pace with price increases that are removing these units from the market.

Beginning in the 1970s, the County responded to this need with one of the nation's most successful and highly regarded inclusionary housing programs, the Moderately Priced Housing Unit (MPDU) ordinance, which required all new developments above a threshold number to provide a percentage of its units at prices affordable for households with incomes no greater than 60 percent of the area median. In 2005, the MPDU law was amended to lengthen to 99 years the period of time during which an MPDU home must remain available at a below market price when transferred to a new owner or tenant. In 2006, the County required that 10 percent of new market rate housing units built in areas served by Metro transit stations be available to "work force" households with incomes between 80 and 120 percent of the area median.

Neither of these programs, nor an aggressive program to build publicly assisted housing, have been able to meet the need for housing that a large segment of County residents and workers can afford within 30 percent of their annual household income.

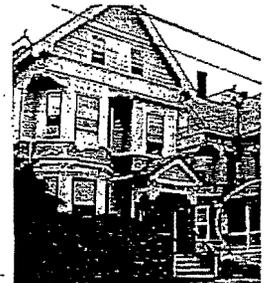


- Affordable housing should cost no more than 30 percent of a household's gross annual income.
- The 2007 median income in Montgomery County for a household of four was \$94,500, which would allow a \$2,363 monthly mortgage payment on a house valued at about \$346,500.

County population is forecast to exceed one million by 2015, and to add 155,000 residents and 72,000 households between 2010 and 2030. Due to declining household size, households will grow faster than the population and many existing households will change their housing requirements. The greatest needs will be for seniors, young households, large families, and people with special needs—disabled residents, homeless individuals, and families. There will be strong and growing demand for rental units.

Aside from licensed multifamily rental apartments, in Montgomery County there are:

- 13,500 registered single-family rental units
- 5,742 registered condo rental units
- 211 registered single-family accessory apartments.



Ninety-one percent of the County's residentially zoned land had been developed or approved for development by 2009. Less than 14,000 acres remain in the development envelope for green field development. It is clear that County housing needs cannot be met by traditional patterns of low-density development that pushed ever outward. As transportation costs grow, the cost of commuting can cancel out any reduction in housing costs, not to mention the effect of increased miles of travel on both air quality and roadway congestion. Moreover, growing concern for the environment and the need to reduce the carbon footprint of development are generating a major shift in both the supply and demand for housing. New housing must be developed by rethinking the future of the County's 106 auto-oriented commercial strips, and its 8,000 acres of surface parking lots (most of them paved before modern stormwater management requirements existed), and by making the most of opportunities for housing near high quality transit service.

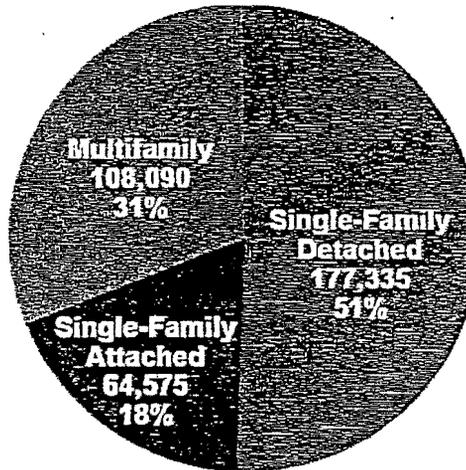
Thus, a combination of forces—a shrinking supply of developable land, higher land costs, rising energy prices, shifts in the County's demographic profile, and environmental constraints—direct us to housing policies that look inward rather than outward to accommodate the housing needs of the next generation for homes and communities that are balanced, convenient, and sustainable.

## goals

### Conservation of the stable neighborhoods and the existing housing stock.

In the 20-year period covered by this element of the General Plan most County neighborhoods can expect to undergo normal turnover as homes change hands. But these small, incremental changes can, over time, produce significant impacts on the neighborhood as families with children replace empty nesters, renters replace owners, and newcomers need different services and facilities. Maintaining the quality of established neighborhoods is essential to sustaining the quality of their homes. Older neighborhoods of modest single-family and townhomes or garden apartments are especially vulnerable to decline if services are not adapted and maintained, and housing and zoning codes are not enforced. They are also susceptible to tear-down and infill development because they are often well-located in down-County and mid-County areas near employment and shopping centers, services, and public transit routes. These neighborhoods also contain the bulk of affordable and workforce housing in Montgomery County—over 140,000 affordable units in 2009. This is double the number of affordable new units that can reasonably be expected to be added to the housing stock by 2030. Master plans, in particular, must devote special attention to protecting existing neighborhoods.

*In 2005, about one-half of our households lived in single-family detached houses.*



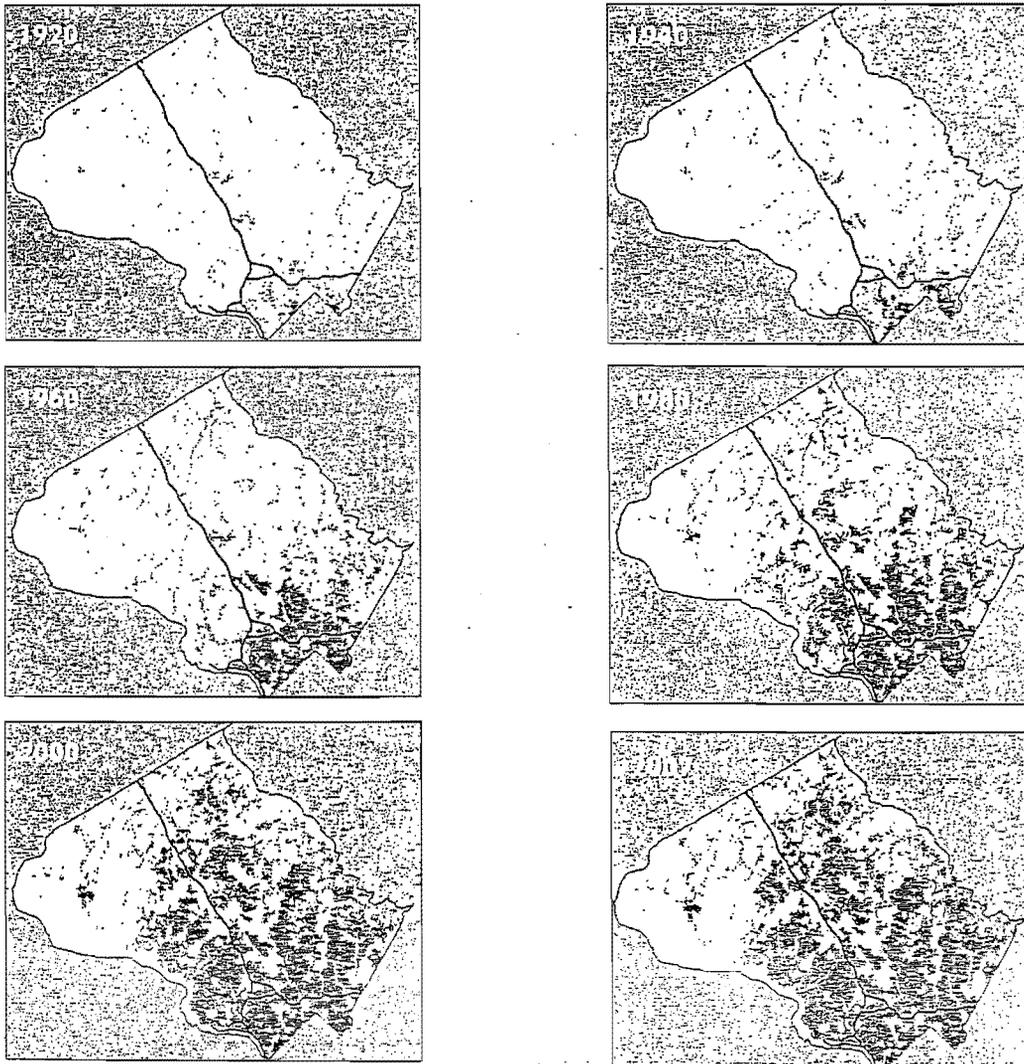
### Concentrate new housing in mixed-use, transit-oriented areas.

Large scale housing subdivision is nearing its end in Montgomery County. Most of the new housing that will be built during the years covered by this element of the General Plan will be multifamily buildings in mixed-use centers served by public transportation and in redeveloped commercial strips and malls. Higher densities and smaller units can combine with lower energy and transportation costs to bring the cost of living in the County within affordable ranges for many more residents, whether they are new to the area, acquiring a first home, or changing homes as their needs and circumstances change. Focusing growth in higher density, mixed-use, transit-oriented centers also meets other important planning objectives, including reducing the per capita carbon footprint of new growth, diversifying the housing stock, and creating vibrant pedestrian-oriented communities.

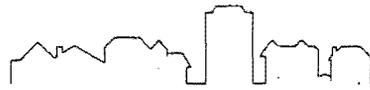
**Close the housing affordability gap.**

Normal home value appreciation in a strong housing market such as Montgomery's, loss of some units to redevelopment, and loss of others as their period of MPDU price management expires makes closing the gap between the demand and supply of affordable and workforce housing an urgent concern. From 1999 to 2009, rising values alone priced 50,000 units of the existing housing stock beyond the financial capacity of moderate income buyers and renters. Expected rates of new housing production cannot keep pace with price increases that remove existing units from the market. In 2009, the County had a shortage of 43,000 units that were affordable for households earning less than \$90,000 a year (just below the County median), but that number approaches 50,000 when household size is taken into account. In contrast, a surplus of units was available to those with more than \$150,000 in annual household income. If current trends continue, by 2030 it will be difficult for a household with an annual income of \$120,000 (in constant 2009 dollars) to afford a home in much of Montgomery County. By then, the gap in affordable housing is estimated to reach 62,000 units. This Housing Element recommends a series of public policy actions that should be taken to reduce the affordability gap.

**Housing Inventory 1920-2007**



## a strategic framework

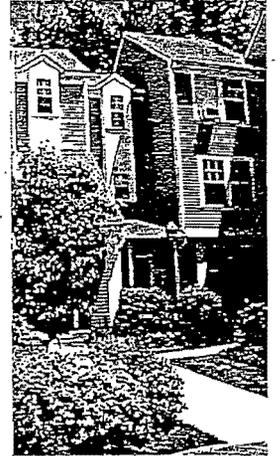


A strategic framework for achieving these goals informs master planning, regulatory reform, public investments and expenditures, and engages the public, private, and independent sectors. It involves the following elements:

- **Master plans** must address existing and future housing needs with particular attention to protecting and enhancing neighborhoods that contain a substantial stock of affordable units and to increasing opportunities for a high jobs-housing ratio including affordable housing in areas served by public transportation.
- **Development regulations** should be revised to require provision of housing near transit, jobs, and services; to provide incentives for producing a wide and diverse range of affordable unit types and sizes; and to reduce regulatory requirements and procedures that discourage production of affordable housing units. The Zoning Ordinance should be revised to clarify that affordable housing is a permitted use in all residential zones. Excessive or unnecessary barriers to provision of affordable and special needs housing, such as parking or special exception requirements, should be removed. The regulatory system should link provision of housing to nonresidential development by encouraging mixed uses or a fee-in-lieu payment to the County's Housing Initiative Fund.
- **New revenue sources** are needed to maintain the Housing Initiative Fund, and to provide for rental assistance programs. Capital programming must be monitored by the Planning Board and the County Executive to ensure that funding is available for neighborhood stabilization and improvements, such as sidewalks, parks, and other facilities needed for high quality, non-auto mobility.
- **Appropriately located surplus public land** should be made available to public and nonprofit agencies for assisted or below market housing. Projects involving the redevelopment of public land or facilities, such as parking facilities, must provide more affordable housing than the minimum requirement.
- **Public agencies should collaborate** with and provide technical assistance and grants to housing cooperatives, faith-based organizations, and neighborhood housing groups to provide for the production and preservation of affordable housing.

Together, these strategies move Montgomery County toward a more sustainable future. The housing stock will be more diverse, more of it will be affordable for people of modest means, and a higher proportion of it will be built in walkable, mixed-use communities that have lower environmental impacts and smaller carbon footprints.

- More than 1,100 people are homeless in Montgomery County, and 56 percent of those are in families.
- The affordability crisis is climbing up the income ladder. By 2030 the shortage of housing is estimated to reach households earning up to \$120,000 per year.
- Energy costs—utilities and transportation—must be included as part of the true cost of housing.
- More senior residents who are aging in place will require community-based services.



### objectives

- Concentrate most new housing near public transportation and provide easy, multi-modal connections to jobs, schools, shopping, recreation, and other leisure activities.
- Concentrate most new housing near public transportation and provide easy, multi-modal connections to jobs, schools, shopping, recreation, and other leisure activities.
- Provide economically and environmentally sustainable housing and neighborhoods.
- Create more balanced, attractive, and walkable neighborhoods through regulatory reform of private developments and leadership in design of public projects.

Achieving each objective will require reinforcing current policies and establishing new policies.

The Affordability Index is housing costs divided by household income.





Objective 1:

### **Housing and Neighborhood Connectivity**

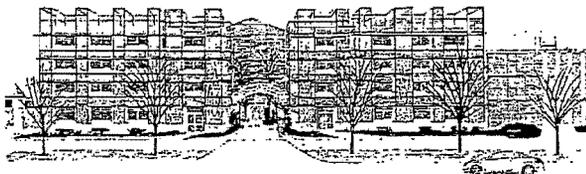
Concentrate most new housing near public transportation and provide easy, multi-modal connections to jobs, schools, shopping, recreation, and other leisure activities.

#### Policies

- 1.1 Build the majority of new housing in transit-oriented locations.
- 1.2 Increase infill housing opportunities in suburban office parks, shopping centers, and other underused properties.
- 1.3 Coordinate infrastructure investment in existing and new neighborhoods to create a high level of mobility options that connect people to where they live, work, shop, and play.
- 1.4 Provide housing for County employees at or near their job sites, such as at schools, large parks, and other County facilities to reduce housing costs for employees as well as vehicle miles traveled.
- 1.5 As older strip commercial areas and surface parking lots are redeveloped, include housing and improve non-vehicular connectivity through the most direct pedestrian and bike routes between homes, jobs, retail, recreation, schools, and public services.



Transit-oriented communities give people the option to live, work, shop, and play without using a car, reducing the impact of transportation costs on household budgets.



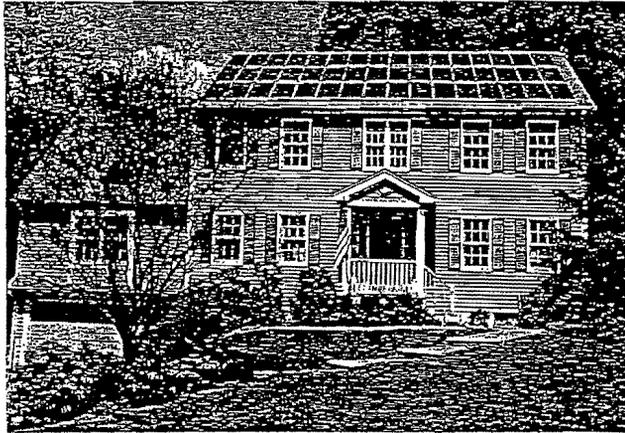
Objective 2:

**Diverse Housing and Neighborhoods**

Create diversity in the type and size of units, neighborhoods, facilities, and programs to accommodate current and future residents.

Policies

- 2.1 Strengthen the stability of established neighborhoods through targeted programs that improve schools, parks, safety and, new or upgraded pedestrian and bicycling facilities.
- 2.2 Make affordable and workforce housing a priority in all parts of the County.
- 2.3 Encourage neighborhood diversity with a range of unit sizes, types, and occupancy (including rental and ownership options).
- 2.4 Allow accessory apartments in residential zones by-right under appropriate design standards and conditions.
- 2.5 Create mixed-use neighborhoods with local small retail businesses and basic services within walking distance of housing.
- 2.6 Encourage shared parking facilities in high-density, transit-oriented, mixed-use developments to reduce parking and environmental costs in new housing construction. Encourage parking to be provided as a separately priced and purchased amenity in high density areas.
- 2.7 Encourage licensed child and adult daycare facilities in mixed-use developments; allow them by-right in appropriate high-density locations.
- 2.8 Provide tax relief for income-eligible seniors beyond the homeowner's property tax credit so they can afford to stay in their neighborhoods as long as they desire.
- 2.9 Create a partnership between Montgomery County and the Housing Opportunities Commission to acquire vacated properties for affordable and workforce housing, including land donations from banks, grant programs, and other charitable groups.
- 2.10 Encourage housing cooperatives, faith-based organizations, and neighborhood housing groups to use their existing property or to purchase land and buildings for the production and preservation of affordable and workforce housing.
- 2.11 Amend housing policies to encourage projects that mix condominiums and rental units, allowing income restricted units to avoid high condominium fees.
- 2.12 Promote full inclusion of all ages, stages of life, and physical abilities by using standard accessibility features in all new or renovated housing.
- 2.13 Develop programs to help small households and seniors find and occupy housing that is right-sized for their needs, so that oversized homes do not become a burden and so the existing housing stock is available for appropriately sized households.
- 2.14 Enforce housing and zoning codes to prevent overcrowding.



Objective 3:

### **Housing and the Environment**

Provide economically and environmentally sustainable housing and neighborhoods.

#### **Policies**

- 3.1 Require green and energy efficient design and materials to reduce operating and maintenance costs for residents and to create more sustainable housing by increasing the number of buildings and units built or retrofitted for energy efficiency, on-site energy production, and water conservation and reuse.
- 3.2 Reduce parking requirements for residential units near transit and within parking lot districts to decrease impervious surfaces and carbon emissions.
- 3.3 Provide stormwater management fee credits for pervious pavers and other materials and strategies that reduce stormwater runoff. These techniques should mitigate the impact of allowable impervious surface rather than increase the footprint of development above what is currently permitted.
- 3.4 Encourage smaller housing units that can serve changing households and reduce energy costs.
- 3.5 Provide tax credits for rehabilitating older housing units so that they are energy-efficient and healthy.
- 3.6 Require best practices in storm water management and grey water strategies, including green roofs, swales, and filtering combined with underground storage tanks for controlled release as well as reuse.
- 3.7 Require preservation of tree canopy and sustainable site design, including native plants and conservation landscaping techniques.
- 3.8 Invest in public infrastructure including transit, water and sewer, and stormwater management to keep neighborhoods healthy.



“A home is not affordable if it is not energy efficient, healthy and durable.”

—U.S. Green Building Council



Objective 4.

### **Housing and Neighborhood Design**

Create more balanced, attractive, and walkable neighborhoods through regulatory reform of private developments and leadership in design of public projects.

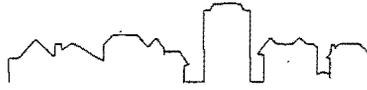
#### Policies

- 4.1 Plan for transit-oriented neighborhoods that provide a full range of housing opportunities, including the work force employed in the transit corridor.
- 4.2 Facilitate the production of attractive housing and neighborhoods with innovative design of the public realm and architecture, including creative building techniques, materials, and mix of unit types.
- 4.3 Create design guidelines to help define quality public spaces and walkable communities.
- 4.4 Create pedestrian-oriented public spaces to support the needs of a diverse population.
- 4.5 Include affordable and workforce housing in all suitable public building projects in appropriate locations throughout the County.
- 4.6 Provide underused and strategically located surplus public properties for housing, using best design practices to set higher standards and achieve design excellence.
- 4.7 Encourage new and innovative construction techniques and products, such as green technologies and modular components.

One goal of the Planning Department's Zoning Ordinance Rewrite is "promoting infill of appropriate scale and creating neighborhoods of mobility, where sustainable design makes great spaces."



## implementation



The recommendations of this report will be implemented through various mechanism and processes by a number of different entities. These recommendations may become a formal part of a master plan or sector plan, and subsequently become the subject of a federal or State program or grant. The improvements may be funded by a mix of local, State, and federal funds, as well as donations from the private sector. The development community may be involved in any or all stages of design and construction.

Residential infill, for example, can take place in existing residential communities, suburban office parks, older commercial strip shopping center, and through residential conversion of non-residential buildings. The County, M-NCPPC, HOC, the development community (profit and not-for-profit developers), State and federal agencies, and utilities would all have varying degrees of involvement and responsibility in achieving infill developments.

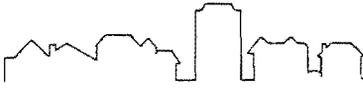
The following chart shows the anticipated coordination linkages in a general way. It identifies only the lead responsibility by different entities even though all would have some level of involvement and role in achieving these recommendations.



According to Section 26-5 (a) of the Montgomery County Code, every dwelling unit must contain at least 150 square feet of habitable floor area for the first occupant and at least 100 square feet of habitable floor area for every additional occupant.

Interagency Coordination	MC	M-NCPPC	HOC	Developer	State	Federal	Utilities	Financial and Insurers
<b>Housing Goals</b>								
1. Conserve stable neighborhoods and existing housing stock	✓	✓						
2. Concentrate new housing in mixed-use, transit-oriented areas.	✓			✓				
3. Close the affordability gap	✓		✓					
<b>Objective 1: Housing and Neighborhood Connectivity</b>								
1.1 Build most new housing in transit-oriented, mixed-used locations.		✓		✓				
1.2 Increase infill housing opportunities...		✓						
1.3 Coordinate infrastructure investment in existing and new neighborhoods...	✓				✓		✓	
1.4 Provide housing for County employees at or near their job sites...	✓							
1.5 As older strip commercial areas and surface parking lots are redeveloped, include housing and improve non-vehicular connectivity...	✓	✓						
<b>Objective 2: Diverse Housing and Neighborhoods</b>								
2.1 Strengthen the stability of established neighborhoods through targeted programs...	✓							
2.2 Make affordable housing a priority in all parts of the County.	✓							
2.3 Encourage neighborhood diversity through a range of unit sizes, types, and occupancy...		✓						
2.4 Allow accessory apartments in residential zones by-right under appropriate design standards and conditions.		✓						
2.5 Create mixed-use neighborhoods with small retail businesses/basic services in walking distance of housing.		✓		✓				
2.6 Encourage shared parking facilities in mixed-use developments ... Allow parking to be provided as a separately priced and purchased amenity.	✓	✓						
2.7 Encourage child and adult day care facilities in mixed-use developments; allow them by-right in appropriate high-density locations.		✓						
2.8 Provide tax relief for income-eligible seniors above and beyond the homeowner's property tax credit program...	✓				✓			
2.9 Create a partnership between Montgomery County and the Housing Opportunities Commission to acquire vacated properties for affordable housing...	✓		✓					
2.10 Encourage housing cooperatives, faith-based organizations, and neighborhood housing groups to use their existing property or to purchase land and buildings for the production and preservation of affordable housing.	✓							✓
2.11 Amend housing policies to encourage housing projects that mix condominiums and rental units...	✓							✓

Interagency Coordination	M/C	M-NCPPC	HOC	Developer	State	Federal	Utilities	Financial and Insurers
2.12 Promote full inclusion of all ages, stages of life, and physical abilities by using standard accessibility features in all new or renovated housing.	✓		✓	✓				
2.13 Develop programs to help small households and seniors find and occupy housing that is right-sized for their needs...	✓					✓		
2.14 Enforce housing and zoning codes to prevent overcrowding.	✓	✓						
<b>Objective 3: Housing and the Environment</b>								
3.1 Require green and energy efficient design and materials ... increasing the number of buildings and units built or retrofitted for energy efficiency, onsite energy production, and water conservation and reuse.	✓	✓				✓		
3.2 Reduce parking requirements for residential units near transit and within parking lot districts...	✓							
3.3 Provide storm water management credits for pervious pavers and other materials and strategies that reduce storm water runoff...	✓							
3.4 Encourage smaller housing units/serve changing households/reduce energy costs.				✓				✓
3.5 Provide tax credits for rehabilitation of older housing units so that they are energy-efficient and healthy.	✓				✓	✓		
3.6 Require best practices in stormwater management and grey water strategies, including green roofs, swales, and filtering ...	✓	✓						
3.7 Require sustainable site design...	✓	✓						
3.8 Invest in public infrastructure ...to keep neighborhoods healthy.	✓				✓		✓	
<b>Objective 4: Housing and Neighborhood Design</b>								
4.1 Plan for transit-oriented neighborhoods that provide a full range of housing opportunities...		✓		✓				
4.2 Facilitate the production of attractive housing and neighborhoods with innovative design of the public realm and architecture...		✓		✓				
4.3 Create design guidelines to help define quality public spaces and walkable communities.		✓						
4.4 Create pedestrian-oriented public spaces to support the needs of a diverse population.	✓			✓				
4.5 Include affordable housing in all suitable public building projects...	✓				✓	✓		
4.6 Provide underused and strategically located surplus public properties for housing...	✓							
4.7 Encourage new/innovative construction techniques/products, such as green technologies and modular components.	✓						✓	



Online at [www.montgomeryplanning.org/community/housing/index.shtm](http://www.montgomeryplanning.org/community/housing/index.shtm)

**March 27, 2008**

Review of County's Housing Policies

**April 11, 2008**

Housing Inventory Slide Show

**April 17, 2008**

Review of Housing Master Plans, Staff Report  
The Housing Goals of the General Plan

**May 15, 2008**

Legislative Issues, Staff Report  
The Affordable Housing Task Force Recommendations  
Pro Forma Analysis of MPDU Bonus Density  
MPDU Site Bonus Density  
MPDU Site Design Guidelines  
Affordable Housing Task Force Excerpt

**May 29, 2008**

Examination of Neighborhood Change, Staff Report  
Examination of Neighborhood Change Using Indicators, PowerPoint presentation

**June 2, 2008**

Housing Supply & Demand, Staff Report  
Demographic Analysis  
Housing Supply Analysis  
Housing Market Trends  
Housing Supply & Demand Analysis  
Housing Supply & Demand PowerPoint presentation

The website also includes links to the speakers and Powerpoint presentations that were part of the 2007-2008 Excellence in Planning speaker series.

A plan provides comprehensive recommendations for the use of public and private land. Each plan reflects a vision of the future that responds to the unique character of the local community within the context of a countywide perspective.

Together with relevant policies, plans should be referred to by public officials and private individuals when making land use decisions.

### **The Plan Process**

The PUBLIC HEARING DRAFT PLAN is the formal proposal to amend an adopted master plan or sector plan. Its recommendations are not necessarily those of the Planning Board; it is prepared for the purpose of receiving public testimony. The Planning Board holds a public hearing and receives testimony, after which it holds public worksessions to review the testimony and revise the Public Hearing Draft Plan as appropriate. When the Planning Board's changes are made, the document becomes the Planning Board Draft Plan.

The PLANNING BOARD DRAFT PLAN is the Board's recommended Plan and reflects their revisions to the Public Hearing Draft Plan. The Regional District Act requires the Planning Board to transmit a plan to the County Council with copies to the County Executive who must, within sixty days, prepare and transmit a fiscal impact analysis of the Planning Board Draft Plan to the County Council. The County Executive may also forward to the County Council other comments and recommendations.

After receiving the Executive's fiscal impact analysis and comments, the County Council holds a public hearing to receive public testimony. After the hearing record is closed, the Council's Planning, Housing, and Economic Development (PHED) Committee holds public worksessions to review the testimony and makes recommendations to the County Council. The Council holds its own worksessions, then adopts a resolution approving the Planning Board Draft Plan, as revised.

After Council approval the plan is forwarded to the Maryland-National Capital Park and Planning Commission for adoption. Once adopted by the Commission, the plan officially amends the master plans, functional plans, and sector plans cited in the Commission's adoption resolution.

HOUSING & CA



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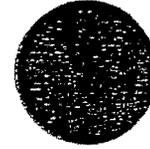
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OFFICE OF THE COUNTY EXECUTIVE  
ROCKVILLE, MARYLAND 20850

Isiah Leggett  
County Executive

MEMORANDUM

September 29, 2009



2009 SEP 30 PM 2:29

RECEIVED  
MONTGOMERY COUNTY  
COUNCIL

TO: Phil Andrews, President  
Montgomery County Council

FROM: Isiah Leggett, County Executive 

SUBJECT: Comments on the Planning Board Draft Housing Element of the General Plan

I have reviewed the Planning Board Draft Housing Element of the General Plan, and commend the Montgomery County Planning Board on a fine effort in drafting this document. As drafted, the Housing Element will give guidance to residential growth as the County approaches buildout. The strong emphasis on redevelopment, transit-oriented and sustainable development, and preservation of the existing housing stock will serve the County well as we transition away from our history of greenfields development.

I am pleased that a number of the issues and objectives identified by my Affordable Housing Task Force are addressed in the draft Housing Element. The Task Force report noted the importance of, and included recommendations on:

- preserving the County's existing affordable housing stock,
- creating new affordable housing, and
- adopting regulatory reform, especially mitigation of the expensive and time consuming development approval process for affordable housing.

In keeping with the Task Force's recommendations, the Housing Element places a commendable priority on preserving and creating affordable housing. However, as noted more fully below, the draft Housing Element is lacking in specific recommendations on implementing regulatory reform.

A great many of the comments I made on the Public Hearing Draft have been taken into account in this final draft. Following are additional policy level comments on the Planning Board Draft Housing Element.

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The Element's "strategic framework" on page 10 presents a good overview of the ~~issues that must~~ be addressed to implement the goals outlined in the Element. I support each of the strategies in the framework and commit the Executive Branch to cooperating in their implementation.

I have a concern, however, about the way the Element fails to address the issues listed in the strategic framework's bullet 2, "Development regulations". The Housing Element's Objectives and Policies enumerated on pages 12 through 15 contain very little in the way of implementing activities for the revision of development regulations. Only one issue, parking, is specifically addressed. As we recommended in our comments on the Public Hearing Draft Housing Element, I propose that a new Objective 5, entitled "Housing and Land Use, Zoning and Development Approvals." The purpose of the objective is to streamline the regulatory process and remove barriers to housing production, especially affordable housing production.

I propose that the new objective's Policy Goals be as follows:

- 5.1 Expedite approval reviews for housing that meets strategic objectives of affordability, environmental sustainability, and transit serviceability.
- 5.2 Consolidate sequential review and approval processes into one coordinated, concurrent process.
- 5.3 Provide incentives, including height and density, to promote appropriately designed and priced housing.
- 5.4 Allow sectional map amendments that address changing community and market conditions to proceed independently of time consuming master plan and sector plan amendments.
- 5.5 Ensure that all master plan and sector plan amendments address the need for additional affordable housing in the plan area, and promote specific strategies to meet that need.
- 5.6 Allow flexibility in meeting site plan requirements commensurate with the provision of affordable housing in excess of minimum requirements.

Only by proposing concrete steps in this Element can the County make progress on amending the development approval regulations that can impede residential development, especially the creation of affordable housing. I have already asked my staff to convene a work group to create a timeline and strategy for amendments to the development approval and regulatory process. The group will include stakeholders representing all facets of the issue, including Executive and Legislative Branch staff, Planning Department staff, representatives of the building and development industry, and the community at large. We look forward to working with the Council and Park and Planning on this important effort.

Also in the Development regulations bullet on Page 10, a recommendation appears that the "Zoning Ordinance should be revised to clarify that affordable housing is a permitted use in all residential zones." We are not aware of any zone where affordable housing is not a permitted use; therefore this sentence should be deleted.

Additional comments on the Housing Element include:

- p. 10, bullet 5, line 2: Add employers to the groups that should be collaborated with to produce and preserve affordable housing.
- p. 12, Policy 1.4, line 1: Replace "County" with "public" to include a broader range of employees who should have access to housing near their jobsites. The revised language may avoid problems with ethics and collective bargaining.
- p. 12, Policy 1.5, line 2: Replace "non-vehicular" with "non-motorized vehicular and pedestrian." Bicycles are vehicles whose use will promote community connectivity.
- p. 13, Policy 2.6, line 3: Replace "Encourage" with "Allow."
- p. 13, Policy 2.10, line 1: Add "employers" to the list of groups that should be encouraged to produce and preserve affordable and workforce housing.
- p. 13, Policy 2.11: The County is not aware of any housing policy that restricts projects that mix condominiums and rental units. We believe that the real issue may be high condominium fees which restrict the ability of moderate-income households to afford new housing. I suggest rewording this Policy as follows: "Encourage developers of mixed-income communities to adopt lower condominium/homeowner association fees for the income-restricted units."
- p. 14, Policy 3.2: Add "and promote affordability" to the policy. A reduction in housing costs can be a major effect of uncoupling parking from the purchase of residential units.
- p. 14, Policies 3.3 and 3.5: I believe that other environmentally sustainable behaviors can be encouraged through fee credits – not just stormwater management and residential energy efficiency. This policy should be broadened to incorporate other areas, but must recognize that any initiative that reduced County revenues must be carefully evaluated in these times of fiscal restraint. It will be critically important to weigh the relative benefits of each credit or waiver against its cost to the County so that high benefit to cost initiatives may be given high priority.

Attached is a list of editorial comments on and corrections to the draft Housing Element.

I appreciate the efforts of Planning Board staff who worked closely with Executive Branch staff in the creation of the draft Housing Element. I believe it provides a needed amendment to the County's General Plan as we face the housing and neighborhood needs of the twenty-first century. Executive Branch staff will be available to participate in any worksessions that the Council may schedule on this Element.

IL:sns

Attachment

### Editorial Comments and Corrections

- p. 6, ¶ 2, line 3: [Housing] Dwelling Unit (MPDU)...
- p. 8, ¶ 2, line 1, New large-scale housing...
- p. 9: Please add quantitative data to "Housing Inventory 1920-2007" maps
- p. 11: delete duplicative bullet 2
- p. 14, Policy 3.7: Reword as follows: "Require [~~preservation~~] conservation of tree canopy and sustainable ... landscaping techniques, as well as soil decompaction strategies. (DEP)"
- p. 17-18, Interagency Coordination table: The table should be revised to reflect the any changes to the wording of the Policies on pages 12-15. In addition:
  - 1.4: add check marks to HOC and Developer columns
  - 2.2: add check to M-NCPPC column
  - 3.4: add check to M-NCPPC column
- p. 17, Objective 1, 1.1: correct spelling of "mixed-use"
- p. 18, Objective 4, 4.5: insert "and workforce" after "affordable"

HOUSING & CA



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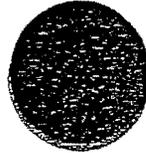
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ROCKVILLE, MARYLAND 20850

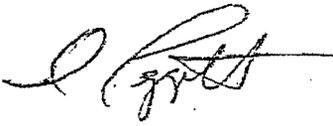
Isiah Leggett  
County Executive

MEMORANDUM

September 29, 2009



TO: Phil Andrews, President  
Montgomery County Council

FROM: Isiah Leggett, County Executive 

SUBJECT: Fiscal Impact-- Planning Board Draft Housing Element of the General Plan

The Executive Branch has reviewed the Planning Board Draft Housing Element of the General Plan. The Housing Element is an amendment to the County's General Plan adopted in 1964, updated in 1970, and refined in 1993.

The Housing Element does not recommend specific capital projects, but rather identifies policy objectives, regulatory reforms, and land use strategies for housing in Montgomery County. For that reason, there is no measurable fiscal impact of the Housing Element.

IL:sns

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115

# HOUSING GOALS

*A decent home in a suitable living environment for every American family.*

48

—U.S. Housing Act of 1949

## SCOPE

The Housing Goal addresses Montgomery County's present and future housing needs. It focuses on housing type, quality, quantity, location, and affordability. Housing for less affluent members of the community is of special concern, but the goal, objectives, and strategies are designed to recognize the housing needs of all current and future County residents, including the full spectrum of ages, incomes, lifestyles, and physical capabilities. Providing housing opportunities for employees of all income levels who work in Montgomery County is of particular concern.

## KEY CONCEPTS

Consistency with the Wedges and Corridors concept is fundamental to the Housing Goal. The Refinement expects all residential development to conform to this pattern. It also expects consistency with master plans, recognizing them as an integral part of the General Plan. These constraints especially affect the appropriate locations for and types of affordable housing development and the sites and intensities of multi-family complexes.

## CHANGES FROM THE 1969 GENERAL PLAN UPDATE

Since 1969, employment has doubled and a significant portion of the land appropriate for housing has been developed in the County. These two major changes have meant shifts in emphasis in the Housing Goal of the General Plan Refinement. Both the 1964 General Plan and the 1969 General Plan Update

# HOUSING

## *goals, objectives and strategies*

focused on "an orderly conversion of undeveloped land to urban use." Both advocated the creation of new towns and the use of clustering to achieve this goal. And both included housing as a major element of such development. Neither, however, emphasized the need for housing to support employment.

With the exceptions of Clarksburg and a few scattered but significant tracts of land in other areas, attention today is turning away from the development of vacant land. The current emphasis is on the maintenance, infill, and redevelopment of land, and appropriate increases in housing densities in the Urban Ring and the I-270 Corridor. This shift leads to increased attention to the attractiveness and compatibility of higher density housing.

The reduced supply of undeveloped land puts great pressure on land prices, leading to increased difficulties in providing affordable housing, even for middle income households. Some geographic areas of the County are especially affected. In addition, high-rise housing development raises unique financial feasibility issues and merits special attention. The General Plan Refinement addresses these issues.

The Refinement looks at the relationship of employment growth and the need for housing in a new way. In fact, the Housing Goal adds a new objective regarding the quantity of housing to serve employment in the County as well as the needs of residents at different stages of their lives. The new objective is designed to be flexible, relating the desirable amount of housing to the needs of residents at different stages of life and to the needs of workers in the County at different wage levels. It does not specify the means of achieving this objective nor does it attach a numerical target to it. Instead, the Refinement, while encouraging a balance between jobs and housing on a County-wide basis, leaves decisions about any changes in the numbers of housing units and/or jobs to master plans and other more local forums.

The General Plan Refinement adds a second new objective to the Housing Goal as well. This objective concerns the land use distribution of housing. It seeks to concentrate the highest density residential uses in the Urban Ring, I-270 Corridor, and especially near transit

stations. Of the Housing objectives, this one most specifically reinforces the Wedges and Corridors concept.

The proposed Housing Goal deletes obsolete language from the 1969 General Plan Update. The 1969 General Plan Update Housing Goal reads as follows: "Stress the present quality and prestigious image of residential development in Montgomery County by further providing for a full range of housing choices, conveniently located in a suitable living environment for all incomes, ages and lifestyles." The General Plan Refinement reflects a consensus that a "prestigious image" is no longer needed as a housing goal for the County. The stock of prestigious housing has greatly increased in the past two decades and will remain as an important County asset without its mention as a prospective goal.

The new goal defines the word "quality" as referring to design and durability of construction. It drops the word "environment," which had been used to mean "neighborhood" or "surroundings" but is now more commonly used to mean "natural resources." Finally, it drops the words "preserve" and "established" from the objective concerning neighborhoods. This language was sometimes read as meaning that there should never be change to existing neighborhoods and that "established" neighborhoods, which many citizens interpret as being the most prestigious ones, should be protected more than others.

The General Plan Refinement adds other new strategies and, occasionally, new concepts to the Housing Goal. These include mixing residential densities in each planning area consistent with master plans, encouraging employer assistance in meeting housing needs, and redeveloping existing properties when identified as appropriate in the master plan.

## **INTERRELATIONSHIP WITH OTHER GOALS**

### **Land Use**

Housing is a major component of the Land Use Goal. Location and intensity cannot be separated from other

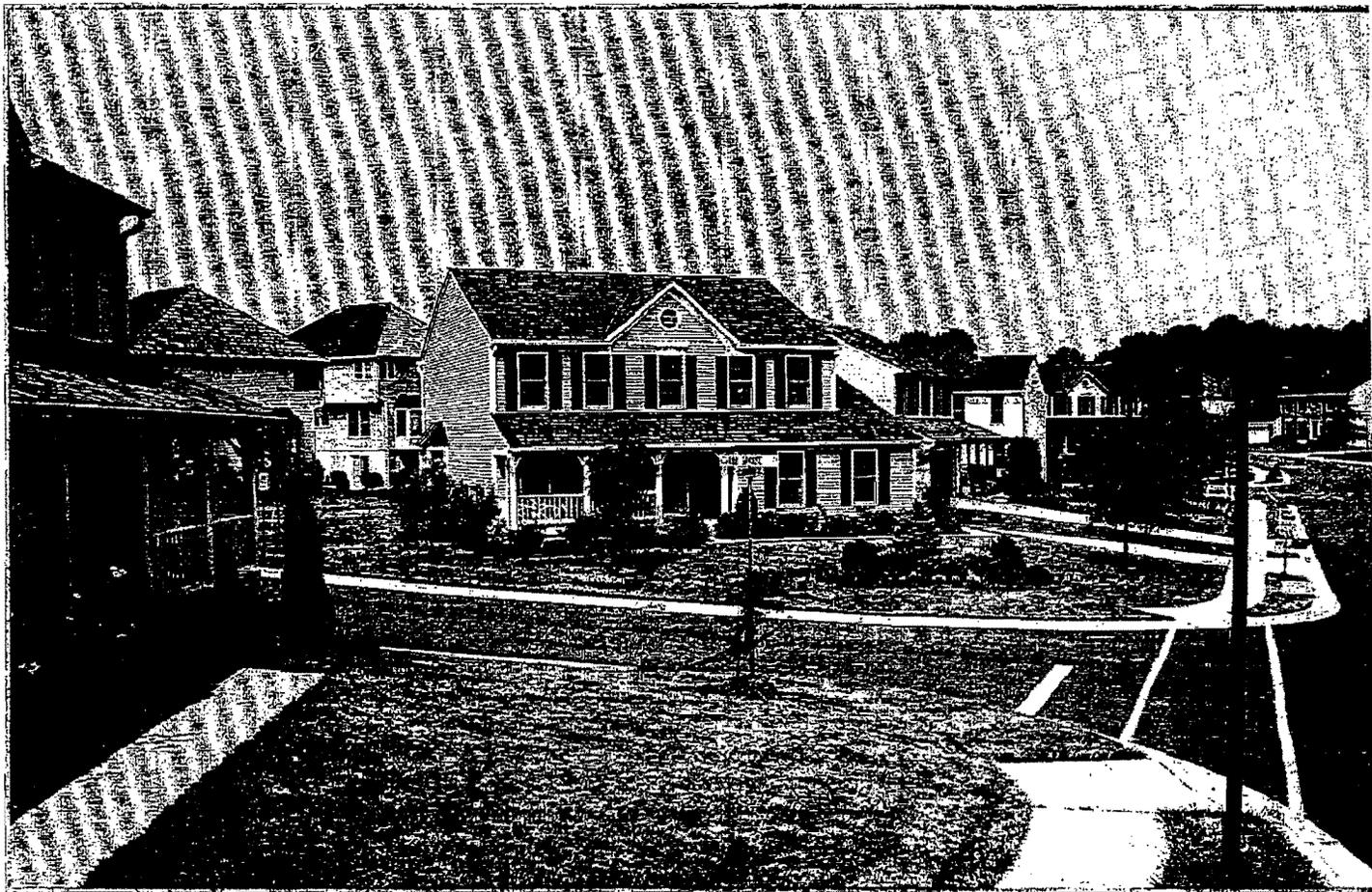
housing issues, however, and are included in the Housing Goal as well. The Housing Goal addresses topics such as affordability, quality, and variety, which are not addressed by the Land Use Goal. The Housing Goal also encourages the search for improved methods of financing and staging residential construction, and it addresses the need to protect existing neighborhoods from unwarranted intrusions by encouraging compatible infill development with suitable transitions between areas of higher and lower density. The Land Use Goal addresses specific geographic issues. One of the most important of these is the definition of the Residential Wedge, which is a newly highlighted geographic component of the Wedges and Corridors concept. The Residential Wedge primarily contains one- and two-

acre estate zoning. The Land Use Goal discusses its function as a housing resource for the County.

### Economic Activity

Housing and economic activity may be considered as two sides of the same land use coin; each constitutes a major resource for the other. Housing provides the consumers and employees to support economic activity, while economic activity provides the means of support for residential areas. In many cases, high quality housing was the impetus for economic development. The Housing and Economic Activity Goals are thus highly interrelated; each addresses the need for the other. This Refinement

Housing development.



calls for greater integration of housing and economic activities. Insofar as the provision of housing is itself a major economic activity and depends on a stable economic climate, it is discussed in the Economic Activity Goal.

## **Transportation**

Access to a variety of transportation modes to promote efficient travel, especially to work, and to protect the environment is an underlying theme of many of the Housing objectives and strategies. Improved transportation and pedestrian access is one of several important reasons why the Housing Goal stresses the desirability of mixed uses. The Housing Goal encourages housing plans that foster transit serviceability and proximity of affordable housing to transit. It also emphasizes housing in close proximity to employment opportunities. These strategies are generally consistent and complementary to the Transportation Goal.

## **Environment**

The Environment Goal is a source of both support and potential conflict with the Housing Goal. The Environment Goal seeks to protect healthy and attractive surroundings for present and future County residents. The objectives also address the provision of the utilities and water and sewer service needed by local households. At the same time, some of the Environment objectives, such as preservation of trees, wetlands, stream valleys, and biodiversity, can present major constraints to housing construction. Such issues must be resolved through the master plan and development review processes.

## **Community Identity and Design**

The Community Identity and Design Goal complements the Housing Goal. It guides the development of the community framework for housing and encourages lively, livable neighborhoods for County residents. It also encourages the preservation of historic resources, some of which are unique housing resources.



## **Regionalism**

Housing in Montgomery County is part of a regional market. Consequently, planning for residential uses in the County needs to consider the regional context. This is especially true of affordable housing, which is one of the greatest needs of the County and the regional housing market. Montgomery County will continue to cooperate with appropriate agencies to achieve an equitable distribution of affordable housing in the region.

## **Compliance with Maryland Planning Act of 1992**

The Housing Goal is responsive to several of the Maryland Planning Act's visions. Objectives 3, 5, and 6 respond to concentrating development in suitable areas (Vision 1). The Housing Goal encourages economic growth and also proposes that regulatory mechanisms be streamlined (Vision 6). In addition, strategies are included to assure the availability of adequate housing near employment centers (Objective 3), to ensure adequate housing choices and to encourage innovative techniques to reduce the cost of housing, including the examination of regulations and policies and development standards (Strategy 1E).

## GOALS, OBJECTIVES & STRATEGIES

Encourage and maintain a wide choice of housing types and neighborhoods for people of all incomes, ages, lifestyles, and physical capabilities at appropriate densities and locations.

### OBJECTIVE 1

Promote variety and choice in housing of quality design and durable construction in various types of neighborhoods.

#### Strategies

- A. Permit increased flexibility in residential development standards to meet a broader range of needs and to foster more creative design.
- B. Expand opportunities for a variety of housing densities within communities to offer more choice to a broader economic range of households.
- C. Encourage the use of new and innovative housing construction techniques, including pre-fabricated components and housing units, to increase the supply and variety of housing types.
- D. Explore the feasibility of rural centers in appropriate locations, such as the Residential Wedge.
- E. Assess the development review process to determine ways to streamline the process and to encourage creative housing design.
- F. Encourage both ownership and rental opportunities for all types of housing.

### OBJECTIVE 2

Promote a sufficient supply of housing to serve the County's existing and planned employment and the changing needs of its residents at various stages of life.

#### Strategies

- A. Provide adequate zoning capacity to meet the current and future housing needs of those who live or work in the County.
- B. Explore ways to improve the economic feasibility of housing development as compared to employment-related buildings.
- C. Phase mixed-use development so that housing is constructed in a timely fashion relative to other uses within the project.
- D. Develop additional techniques to provide housing opportunities to meet the special housing needs of young workers, the elderly, and persons with disabilities.
- E. Encourage employer assistance in meeting housing needs.
- F. Develop new techniques to provide housing, including incentives.

### OBJECTIVE 3

Encourage housing near employment centers, with adequate access to a wide variety of facilities and services. Support mixed-use communities to further this objective.

#### Strategies

- A. Assure the availability of housing near employment centers.
- B. Integrate housing with employment and transportation centers with appropriate community services and facilities, especially in transit stop locations.
- C. Examine County regulations and policies for opportunities for mixed-use development; develop additional options.
- D. Ensure a reasonable distribution of residential and commercial uses in mixed-use zones.
- E. Explore changing development standards to allow the closer integration of employment and housing within mixed-use developments.
- F. Encourage housing plans that foster transit serviceability.

*goals, objectives and strategies*

- G. Encourage the provision of appropriate indoor and outdoor recreational and community facilities in multi-family and single-family residential development.

## OBJECTIVE 4

Encourage an adequate supply of affordable housing throughout the County for those living or working in Montgomery County, especially for households at the median income and below.

### Strategies

- A. Encourage the provision of low-, moderate-, and median-income housing to meet existing and anticipated future needs.
- B. Distribute government-assisted housing equitably throughout the County.
- C. Plan affordable housing so that it is reasonably accessible to employment centers, shopping, public transportation, and recreational facilities.
- D. Encourage well-designed subsidized housing that is compatible with surrounding housing.
- E. Assure the provision of low- and moderate-income housing as part of large-scale development through a variety of approaches, including the Moderately Priced Dwelling Unit program.
- F. Preserve existing affordable housing where possible.
- G. Encourage development of affordable housing by the private market.
- H. Designate government-owned land, other than parkland, that meets appropriate housing site selection criteria for future housing development.
- I. Identify County policies that have a burdensome effect on the cost of housing; find alternatives if possible.
- J. Encourage the provision of innovative housing types and approaches, such as single-room occupancy housing and accessory apartments, to meet the needs of lower income single persons and small households.
- K. Develop zoning policies that encourage the provision of affordable housing while protecting the Wedges and Corridors concept.

## OBJECTIVE 5

Maintain and enhance the quality and safety of housing and neighborhoods.

### Strategies

- A. Discourage deterioration of housing through well-funded code enforcement, neighborhood improvement programs, and other appropriate techniques.
- B. Ensure that infill development and redevelopment complements existing housing and neighborhoods.
- C. Mix housing with other uses with special care in ways that promote compatibility and concern for residents' needs for safety, privacy, and attractive surroundings when introducing new uses into older neighborhoods.
- D. Provide for appropriate redevelopment of residential property when conditions warrant.
- E. Protect residential neighborhoods by channeling through traffic away from residential streets and discouraging spill-over parking from non-residential areas.
- F. Use special care to plan uses at the edges of high-density centers that are compatible with existing neighborhoods.

## OBJECTIVE 6

Concentrate the highest density housing in the Urban Ring and the I-270 Corridor, especially in transit station locales.

### Strategies

- A. Designate appropriate, specific locations in sufficient amounts for higher density housing and mixed-use development in master plans.
- B. Modify County zoning regulations and other policies to improve the feasibility and attractiveness of higher density housing.
- C. Encourage air rights development in areas designated for higher densities.
- D. Encourage development of affordable, higher density housing in the vicinity of transit stations.

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**ANALYSIS**  
of the  
**SUPPLY & DEMAND**  
for  
**HOUSING**

Montgomery County, Maryland

June 26, 2008

Lisa Madigan Tate  
Megan Taylor

M-NCPPC Research & Technology Center  
MONTGOMERY COUNTY, MARYLAND

Karl Moritz, Chief  
Roselle George, Research Manager

# Housing Supply & Demand

## *Overview*

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### Purpose

This report by the Research & Technology Center of the Montgomery County Planning Department assesses the supply and demand for housing in Montgomery County, Maryland. It is one in a series of background reports and analyses prepared in support of a pending update of the Housing Element of the General Plan.

The analysis begins with a comprehensive assessment of the local housing environment, including an inventory of existing housing and market conditions along with key factors shaping the supply and demand for housing in Montgomery County. The following section presents an analysis of the gap between existing and projected supplies of housing relative to demand at affordability thresholds for households of different sizes. The report concludes with a brief analysis of the implications that these trends and conditions might have for policies—especially land use and development-related policies—that affect the County’s affordability environment.

### Note on sources

Most of the information in this report was mined from several data sets developed and maintained by the Research & Technology Center, including, the *COG Round 7.1 Forecast*, the *Census Update Survey* and housing market data. Research staff compiled a sizeable base of information in the course of preparing this analysis. In addition to the tables and charts included in this report and its accompanying data book, the reference base includes a detailed inventory of the County’s housing stock in GIS. Together these resources provide a rich statistical base for assessing housing, land use, transportation, economic and related policies in master plans. Similar analyses could be performed at the sub-county level.

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# Housing Supply & Demand

## *Supply Factors*

### Housing Construction Trends

**Single-family attached (townhomes) and multi-family units (condominiums and apartments) have been the dominant form of home construction in Montgomery County over the past four decades.** Single-family detached homes account for less than 50 percent of new units built since 1970. Even so, single-family detached homes remain the single largest category of homes in the County, reflecting the fact that single-family detached dwellings accounted for more than 90 percent of homes built in the County before 1970.

**Average single-family home sizes—and corresponding prices—have increased.** Single-family detached housing units nearly tripled in size from 1,323 square feet in the 1950s to 3,272 square feet this decade. Single-family attached housing units doubled in this same time period from 891 square feet to 1,792 square feet. Driven by a mix of demand for larger homes by affluent consumers and profit-maximization by builders, the trend to building larger—and more expensive—homes has helped drive up average housing prices Countywide.

**After decades of getting smaller, newer multi-family are getting larger on average—reflecting a marked shift in consumer choice.** The average square footage of a new multi-family unit fell steadily each decade between 1970 and 2000, but that trend has reversed. At around 1,300 square feet, new multi-family units are once again being built at a size not seen since the 1960s. The trend to larger multi-family units partly reflects an increase in for-sale units (i.e., condominiums). It also reflects a general shift in consumer preferences, with more households of all types—including families—choosing to live in multi-family units proximate to transit, retail, job and entertainment centers.

### Capacity Constraints

**Montgomery County is approaching build-out.** 82 percent of existing residential capacity already has been reached; approved development currently in the pipeline pushes that to 91 percent. Permitted capacities can increase or decrease, such as when master plan updates or rezonings change permitted densities. Areas that currently are at or near build-out can acquire additional capacity by redevelopment of underused properties.

**In-fill development will supply most new housing capacity.** Most large landholdings outside of the Agricultural Reserve are almost fully developed. Future growth in the County will be primarily in the form of community-scale

redevelopment and infill in proximity to existing and planned transit service. The rural nature of the Agricultural reserve is likely to remain intact, while portions of the County currently developed at suburban densities will become increasingly urbanized.

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## Housing Market Trends

**Strong demand and comparative affluence keep housing prices relatively high over time.** Sustained levels of population growth over the several decades have tended to strain housing supplies, keeping prices high. A large number of comparatively wealthy residents seeking higher-end homes also boost housing prices overall.

**Limited land availability creates upward price pressure.** A dearth of land available for new construction has put a premium on remaining greenfield and redevelopment land alike. Cost pressures have been especially intense in parts of the County that are in very high demand, including areas close to major employment centers and transportation corridors, as well as neighborhoods with top-ranked schools and community amenities.

**Higher construction costs have helped drive up new home prices.** Since 2004, construction material prices have increased more quickly than other consumer goods. Rising labor costs also are boosting construction costs. Between 2004 and 2007, costs increased 31 percent compared to a 15 percent increase in consumer goods. This increase is driven by higher energy costs, a decrease in the availability of skilled labor, and increased worldwide demand for construction materials due to exploding economic growth (especially in China and India) as well as reconstruction costs in areas affected by war and natural disasters. In a strong housing market, these costs typically are passed on to consumers; in a shakier market, they tend to reduce the number of housing starts.

**Already an expensive housing market, Montgomery County saw home prices spike still higher in the housing bubble.** The record-low interest rates and lax lending standards during the nationwide housing bubble of 2002-2006 produced a power surge in the local housing market. An average new single-family detached unit was just under \$1 million in 2007—up from \$436,000 in 2001. The average price of an existing single-family detached home increased from \$290,000 in 2001 to \$569,000 in 2007. An average new townhouse in 2007 was priced at \$475,000 compared to \$266,000 in 2001. An existing townhouse was \$365,000 in 2007 compared to \$155,000 in 2001.

**Housing sales have slowed in the past two years.** Days-on-market for resale homes increased from fewer than 40 days on average from 2003 through 2005 to around 100 days in 2007. Montgomery County's housing market slowdown is less severe than in neighboring Virginia counties: after keeping pace with Montgomery County through the housing boom, both Loudoun County and Fairfax County have experienced sharper increases in days-on-market.

**The nationwide foreclosure crisis is beginning to hit Montgomery County.** Between December 2007 and March 2008, foreclosure rates Countywide

doubled from 0.89 to 1.8 foreclosures per 1,000 households. Maryland foreclosures are also growing at a faster rate than the national average (6 percent versus 4 percent). Along with serving as an indicator that growing numbers of households are in crisis, a spate of foreclosures can destabilize communities and erode the value of home investments among neighboring households.

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**Overall, Montgomery County rents are comparatively moderate.** There is a rent divide between western portions of the County and the eastern and northern portions of the County. Rents are noticeably higher than the Countywide average of \$1,281 in Bethesda/Chevy Chase (\$1,674), Rockville (\$1,523) and Darnestown-Potomac (\$1,369). Moderate average rent is found in Germantown-Gaithersburg (\$1,165), Olney (\$1,165), Upper Montgomery County (\$1,039), and Wheaton (\$1,170).

**There is pent-up demand for larger rental units.** Nearly all rental apartments (86 percent) are one- and two-bedroom units. There is only a handful (268) of four-bedroom plus units in Montgomery County. Vacancy rates for three-bedroom apartments (4.8 percent) and four-bedroom plus units (3.1 percent) are below the Countywide average (5.1 percent), indicating that there is a need for more large rental apartments in the County. One reason for the relatively low number of larger rental units is the high rents attached to these units. The weighted average rent for 3-bedroom plus units in the County is \$1,780, which is out of reach for many households. A household would have to earn at least \$71,200 to afford this unit.

# Housing Supply & Demand

## *Demand Factors*

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### Population & Household Growth

**Montgomery County is emerging from a period of exceptionally fast population growth.** The number of County residents surged between 1980 and 2000, growing by 30 percent during the 1980s and 14 percent from 1990 to 2000. The County's population is forecast to grow by an additional 14 percent this decade. By 2010, the County will have an estimated 990,000 residents—a total population increase of nearly 411,000 (71 percent) since 1980.

**The County is forecast to continue adding residents—albeit at a slower pace—over the next 25 years.** Between 2010 and 2030, Montgomery County is forecast to add another 155,000 residents (16 percent), boosting total population to 1.2 million by 2030. While the pace of growth will slow relative to previous decades, it will be on top of a larger population base.

**Household growth will continue to outpace population growth.** The number of households grew 36 percent during the 1980s and by another 15 percent from 1990 to 2000. Household growth will slow slightly to 14 percent this decade. By 2010, households are expected to number 370,000, an overall increase of nearly 163,000 households (79 percent) since 1980. Between 2010 and 2030, the County is forecast to add more than 71,000 households (16 percent), reaching 441,000 households by 2030.

### Demographic Change

**A combination of high birth rates among County residents and an influx of new residents has fueled population growth since 2000.** From 2000 and 2005, natural increase (i.e., births minus deaths) added 38,000 residents. Over the same period, net migration (i.e., the number of people moving in minus those moving out) added 25,000 residents; foreign immigration accounted for roughly 90 percent of this net migration. Most people moving to other parts of Maryland chose Frederick County, followed by Howard County.

**The relatively faster growth in households reflects a general trend toward smaller households.** Households in Montgomery County are getting smaller on average, declining from 2.79 residents per household in 1980 to an estimated 2.68 in 2010. By 2030, the average size of a household is forecast to be 2.59 residents. Declining household sizes reflect a number of demographic trends—including an increase in the number of seniors living alone; smaller families; and more singles.

**Families account for the largest share of Montgomery County households.** 62 percent of the County's households are married couple households and 10 percent are single-parent households. Households with children ages 0-18 account for 38% of all households (132,180). Single-family housing in particular attracts family households—in fact, 84 percent of households living in single-family homes are families.

**The County's population includes a growing proportion of seniors.** Currently, only 11 percent of County residents are age 65 and above. As the cohort of residents between 45 and 64 (currently 27 percent of the population) ages, the number of households comprising one or more seniors will increase dramatically, generating additional demand for senior housing options.

**County residents are exceptionally well-educated.** 70 percent of County residents over the age of 25 hold a degree beyond a high school education. However, not all County residents are well-educated: 8 percent of adults lack a high-school diploma.

**Foreign-born residents account for a substantial share of the County's population.** One in three households has a foreign born head of household or spouse. The proportion of foreign- and native-born households is roughly equal for both single-family and multi-family households. Roughly two out of three foreign-born households occupy single-family housing units. One in 3 residents over the age of five speaks a language other than English.

**Montgomery County is affluent.** Median household incomes in Montgomery County are almost twice the national median (\$83,880 versus \$44,684 in 2004). High household incomes reflect proximity to the nation's capital. Median federal incomes exceed median private sector incomes in Montgomery County. The County also is home to many of the capital region's highly paid legal and other professionals. A relatively large base of high-wage professional, scientific and technical service jobs reflect the presence of life sciences and information technology (IT) industry clusters in the County.

**Most employed County residents commute to jobs in Montgomery County.** 60 percent of the resident labor force works in the County, with 22 percent working in the District, and 17 percent working in other Maryland counties or Northern Virginia.

#### Housing Choices

**Most households occupy single-family housing.** Reflecting the impact of pre-1970s housing development patterns, 77 percent of the County's households live in single-family detached or attached housing.

**Most households own their homes.** 74 percent of households own their home; ownership is split largely by housing unit type. About 94 percent of single-family households own their home, while only 30 percent of multi-family households own their home. This trend may be shifting as there have been a large number of new for-sale condominium apartments and apartment conversions under development and in the development pipeline over the past several years.

**“Mansionization” boosts both housing sizes and prices.** The neighborhoods most impacted are in the Urban Ring. Most notably, 75 percent of infill activity has occurred in Bethesda, Chevy Chase, and Kensington. Redevelopment permits dropped off noticeably in 2007, which coincides with the local housing market slowdown, decreasing home values, and increasing foreclosures.

**Higher energy prices may offset the trend to larger homes.** The rising cost of heating and cooling may undermine the appeal of very large homes. Moreover, high gas prices are likely to discourage future construction in less expensive outer ring suburbs, as the cost of a long commute offsets the perceived advantages of owning a larger home than one could afford closer to work. This trend already may be evident in the fact that home prices are declining and foreclosure rates increasing more quickly in distant suburbs around the metro region, including Prince William and Frederick Counties.

**Multi-family housing attracts a diverse demographic base including families and persons with advanced degrees.** Contrary to common perceptions, multi-family units house significant numbers of families as well as some of the County’s most highly educated residents. Families account for nearly half (47 percent) of multi-family households Countywide. 28 percent of multi-family residents hold a master’s, professional; doctorate or other advanced graduate degree. These facts may indicate that multi-family living increasingly is viewed as a lifestyle alternative versus an affordability imperative.

**Multi-family housing is a crucial source of housing for newcomers and short-term residents.** The majority of households moving into the County between 2000 and 2005 (60 percent) chose to live in multi-family housing, which tends to be more readily accessible (due to higher turnover rates) and affordable to newcomers, who tend to be younger and therefore less affluent than older, established households. Located next to the nation’s capital, Montgomery County also traditionally has housed a large transient population, including diplomats, military families, students and political workers; given the very high cost and continued competition for single-family detached housing, multi-family units provide a needed degree of flexibility and affordability.

**Renters historically have paid a larger share of their household income towards housing costs.** Regardless of housing unit type (single-family versus multi-family), renters on average pay more than owners, with 41 percent of renters spending more than 30 percent of their household income on housing costs, versus 17 percent of owners. This trend also may be shifting, as rising interest rates push up monthly payments on adjustable rate mortgages and more households are forced into foreclosure.

**Seniors have an expanded range of independent living options.** The supply of senior housing increased by 1,659 units from the year 2001 to 2005. At the same time, however, the number of nursing units, assisted living units, and subsidized assisted living units has declined—indicating a potential shortage in housing for seniors with the most needs.

## Economic Growth & Diversification

**A comparatively robust economy underlies high and rising housing demand.** Strong job growth in and around Montgomery County has ensured a steady base of demand for housing. The County has added more than 300,000 jobs since 1975—effectively doubling its employment base over the past thirty years. It is now a major job destination with more than half a million people working in the County. The stability of the regional economy—anchored by the federal government—has tended to buffer the impact of economic shocks such as the dot-com bust and September, 2001 terrorist attacks.

**Job growth is expected to slow as a result of limited growth capacity.** The existing jobs/housing ratio (1.4) indicates a slight surplus of jobs relative to housing. When jobs exceed housing capacity, an area must import workers, increasing housing prices or forcing workers to endure longer commutes. Limits on commercial development capacity are expected to generate an optimal ratio of 1.5 to 1.6.

**Constraining job growth can have negative consequences.** Effective management of growth enhances economic development by maintaining a stable fiscal climate and ensuring adequate funding for quality schools, services, amenities and infrastructure. Even so, economic growth rarely occurs at a steady pace. If local companies are unable to expand locally during crucial periods of rapid industry growth and restructuring—especially in technology-driven sectors—the County could fall behind in the competition for future business and talent.

**Suburban patterns of growth and transit connectivity issues have resulted in a high percentage of workers that commute by driving alone (72 percent).** There are few, convenient cross-County transit options. MARC is the only direct cross-County rail option with limited service between Germantown and Silver Spring. The majority of County-based transit is bus-oriented. Bus routes typically require riders to switch buses at least once between housing and employment cores. Additionally, bus schedules are often unreliable due to heavy traffic conditions in the County.

**Many businesses and employees are favoring clustered development patterns over sprawl.** There is growing evidence that sectors traditionally based in suburban campus style developments—including life sciences and IT—are drawn to urban centers for the same reasons that have attracted creative and professional businesses—housing, transportation and amenities attractive to their workforce and provide a denser base of ties to industry services, suppliers and customers.

# Housing Supply & Demand

## *The Affordable Housing Gap*

The County has a sizeable shortage of affordable housing that will persist if existing land use patterns are maintained.

The following tables show the relative availability of units affordable to households within a given income range, based on an estimated rent or total housing cost of no more than 30 percent of income. There is a net shortage of 43,000 units in Montgomery County housing available to households earning less than \$90,000 per year, while there is a surplus of housing available to higher incomes, especially those earning more than \$150,000 per year. The 2006 median household income in Montgomery County was \$91,641. If there is no change in existing land use capacities and development plans, the gap in affordable housing—based only on household income—will remain almost unchanged in 2030.

**Summary of Demand and Supply Imbalance (2005)**

Annual Household Income	Affordable Monthly Housing Cost	Number of Units Demanded	Number Supplied (Owner Occupied)	Number Supplied (Renter Occupied)	Sufficiency/ (Deficiency)
Less than \$30,000	Less than \$749	39,942	619	12,510	(26,813)
\$30,000 to \$59,999	\$750 to \$1,499	77,926	8,325	59,940	(9,661)
\$60,000 to \$89,999	\$1,500 to \$2,249	68,196	48,337	13,680	(6,179)
\$90,000 to \$119,000	\$2,250 to \$2,999	57,585	64,790	2,340	9,545
\$120 to \$149,000	\$3,000 to \$3,749	36,099	47,083	900	11,884
\$150,000 and above	\$3,750 and above	67,251	93,296	630	26,676

**Summary of Demand and Supply Imbalance (2030)**

Annual Household Income	Affordable Monthly Housing Cost	Number of Units Demanded	Number Supplied (Owner Occupied)	Number Supplied (Renter Occupied)	Sufficiency/ (Deficiency)
Less than \$30,000	Less than \$749	50,797	1,491	19,478	(29,828)
\$30,000 to \$59,999	\$750 to \$1,499	99,104	12,465	93,327	6,688
\$60,000 to \$89,999	\$1,500 to \$2,249	86,729	52,631	21,300	(12,799)
\$90,000 to \$119,000	\$2,250 to \$2,999	73,234	75,304	3,643	5,713
\$120 to \$149,000	\$3,000 to \$3,749	45,909	60,197	1,401	15,689
\$150,000 and above	\$3,750 and above	85,527	105,701	981	21,156

(131)

The housing crisis disproportionately affects families.

The severity of the existing and future affordable housing crunch is more apparent when the analysis factors in the ability of households to find affordable housing appropriate to their family size (described in terms of number of bedrooms)—a key element of choice.

When household size is taken into account, there is an estimated overall shortage of nearly 50,000 affordable housing units in Montgomery County. This represents the total number of housing units needed by households of various size and income levels over and above the amount of available in the current housing stock. If there is no change in existing land use capacities and development plans, the gap in affordable housing will grow to an estimated 62,000 by 2030.

The existing housing gap indicates that an estimated 50,000 households Countywide are either experiencing an immediate housing crunch—spending more than 30 percent of their income to rent or own their homes, or living in units that are too small for their families—or would be unable to afford to buy their homes today.

**Existing Housing Supply & Demand Conditions (2005)**

Annual Household Income	Affordable Monthly Housing Cost	PERSONS IN HOUSEHOLD				Total
		1	2	3	4+	
Less than \$30,000	Less than \$749	(9,932)	(6,666)	(4,884)	(5,331)	(26,813)
\$30,000 to \$59,999	\$750 to \$1,499	3,273	(40)	(3,149)	(9,745)	(9,661)
\$60,000 to \$89,999	\$1,500 to \$2,249	3,765	(2,175)	(1,768)	(6,002)	(6,179)
\$90,000 to \$119,000	\$2,250 to \$2,999	7,414	448	(219)	1,902	9,545
\$120 to \$149,000	\$3,000 to \$3,749	6,275	1,821	233	3,556	11,884
\$150,000 and above	\$3,750 and above	14,356	5,471	2,505	4,344	26,676
<b>Net Surplus / (Deficit)</b>		<b>25,150</b>	<b>(1,141)</b>	<b>(7,283)</b>	<b>(11,275)</b>	<b>5,451</b>

**Projected Housing Supply & Demand Conditions (2030)**

Annual Household Income	Affordable Monthly Housing Cost	PERSONS IN HOUSEHOLD				Total
		1	2	3	4+	
Less than \$30,000	Less than \$749	(9,991)	(7,412)	(5,895)	(6,529)	(29,828)
\$30,000 to \$59,999	\$750 to \$1,499	13,364	5,692	(1,790)	(10,578)	6,688
\$60,000 to \$89,999	\$1,500 to \$2,249	3,755	(4,171)	(3,076)	(9,307)	(12,799)
\$90,000 to \$119,000	\$2,250 to \$2,999	9,061	(1,186)	(1,484)	(677)	5,713
\$120 to \$149,000	\$3,000 to \$3,749	9,057	2,632	283	3,717	15,689
\$150,000 and above	\$3,750 and above	16,814	3,344	875	122	21,156
<b>Net Surplus / (Deficit)</b>		<b>42,060</b>	<b>(1,102)</b>	<b>(11,087)</b>	<b>(23,252)</b>	<b>6,620</b>

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The affordability crisis is reaching up the income ladder.

**Low-income households.** As would be expected, the affordability crisis is felt most acutely among the County's lowest income households. Without a substantial change in the existing housing environment, this segment of the community will continue to struggle to find affordable shelter.

**Moderate income households.** Households that are earning between 60 percent and 80 percent of area median income (AMI) based on their household size also face a substantial shortage of affordable housing. In particular, the housing needs of moderate-income families with 2 or more children are likely to go unmet without a change in development patterns. On a positive note, if the County's stock of multi-family housing continues to expand by the amount forecast under current master plans and approved development plans, the burden is expected to ease for some moderate income household segments—mostly singles, couples and small families.

**"Workforce" households.** In 2005, households earning between \$60,000 and \$90,000 per year faced a shortfall of nearly 10,000 housing units targeted to their income and household sizes. By 2030, the shortage of housing in that income band is expected to increase by 65 percent to more than 16,500 units. Most households earning from \$90,000 to \$120,000 annually can afford a home in Montgomery County today; by 2030, there will be an estimated shortage of 3,500 units for households in this income band. More affluent households may choose to occupy less expensive units—driving housing prices still higher and crowding out households of moderate and lower incomes.

The affordable housing crisis will have multiple impacts.

Housing-burdened middle-class households are likely to leave Montgomery County. In the past, these out-movers—especially skilled blue collar and service workers—tended to stay in the region, settling in outer suburban and rural counties. However, higher gas and living costs have made this adjustment untenable; if households or moderate means are unable to find acceptable housing closer to job centers, the County risks losing access to this vital skill base altogether. Area businesses will find it increasingly difficult to attract employees from less expensive housing markets, or retain lower-wage employees and those with families.

Rising foreclosures are just one part of the burgeoning affordability issue. If housing supplies do not expand to meet current or projected levels of unmet need, growing numbers of households will be forced to spend more of their income on housing—leaving less money available for utilities, maintenance, transportation, retirement savings, education, leisure and other expenditures. A large concentration of distressed households can destabilize a neighborhood, piling additional costs on residents and communities in the form of blighted appearance, rising vandalism and other crime, higher insurance premiums, lower health indices, lower school achievement and more.

# Housing Supply & Demand Analysis

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## Continued market failures

Market forces are unlikely to close the affordability gap described in the previous section. In theory, high housing prices should stimulate homebuilding, expanding housing supplies until prices return to more affordable levels. There are several obstacles to such a market-driven adjustment.

- Options for expanding supply are constrained while underlying demand—especially among high-wage jobs—remains strong.
- High labor, land and construction material costs tend to make it more profitable for builders to target higher-income market segments, even when there are subsidies to produce moderate-income housing.
- The recent downturn in the housing market is unlikely to resolve the shortage. The housing market bubble of the past few years merely exacerbated an already-serious affordable housing crisis. Prices will decline from their peak levels in the 2002-2006 housing bubble, but continued high demand and sharp supply constraints will keep prices up.
- The recent tightening of credit availability further constrains the ability of households to purchase housing.

## Policy implications

Until recently, the basic housing challenge in Montgomery County has been to keep pace with burgeoning population growth, while providing for the most vulnerable groups in the community. Thus, the existing policy mix essentially aims to (1) provide incentives to create affordable housing; and (2) target demand-side assistance for at-risk population groups.

The County's existing policy mix is unlikely to meet the scale of need, which now extends to a substantial share of the County's population and will worsen in the future. A key problem is that our existing tool set works best in a relatively robust fiscal and economic environment.

- Demand-side subsidies—rent vouchers, homebuyer tax breaks, foreclosure prevention and other assistance—are expensive, and federal support for these measures has dwindled. County resources—especially when constrained by unstable property tax revenues—are unlikely to cover the expanding base of need.

- Existing supply-side initiatives—chiefly inclusionary zoning—have worked very well in the past. Even so, these tools—including MPDUs, workforce and productivity housing—typically count on a robust housing market. These policies work less well when the market is cool—especially if other policies such as impact fees increase the costs or reduce potential operating income for developers.
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## Recommendations

Given the wide-reaching consequences of Montgomery County’s affordable housing crisis—as well as the limits of any single policy measure to address all aspects of the problem—the issue needs to be addressed by a comprehensive portfolio of supply and demand-side initiatives. The following recommendations focus on policies—especially land use and development regulations—that can be addressed in a general and master plan or development review context.

### Demand-side measures

While planning departments typically use supply-side policies, their efficacy depends heavily on understanding and responding to demand-side factors, especially affordability and choice. The following principles should be kept in mind.

- Rethink homeownership as a goal. With a current homeownership rate above 70 percent, the County should continue expanding multifamily to provide more rental options.
- Continue meeting the needs of households at all life stages. The increase in multi-family housing has eased the housing crunch for some segments of the community, especially young adults, singles and seniors. However, more needs to be done to meet the needs of families of modest means (keeping in mind that this includes many families earning at or above the median income). The trend to larger multi-family dwellings and high-intensity single-family dwellings should be encouraged, and augmented by allowing accessory structures and smaller lot developments.
- Continue promoting more urbanized development patterns. Sprawl is no longer a viable antidote to the affordability crisis. Higher gas prices drive up the cost of homeownership, especially for distant suburbs. Consumers increasingly are likely to prefer close-in housing options.
- Emerging industry sectors tend to favor clustered development patterns over sprawl. Even industries traditionally based in suburban campus style developments are beginning to adapt to more urban environments that supply the housing, transportation and amenities attractive to their workforce and provide a denser base of ties to industry services, suppliers and customers.
- Understand the vital role that services, transportation, amenities, healthy environments and other enhancements can play in offsetting housing costs by supporting access to jobs.

- At the same time, consider linking housing developments to services designed to ease the burden on stressed households, especially for projects that might generate gentrification pressures that could undermine established communities.
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### **Supply-side measures**

The creation and preservation of affordable housing must be a cornerstone of land use and development planning.

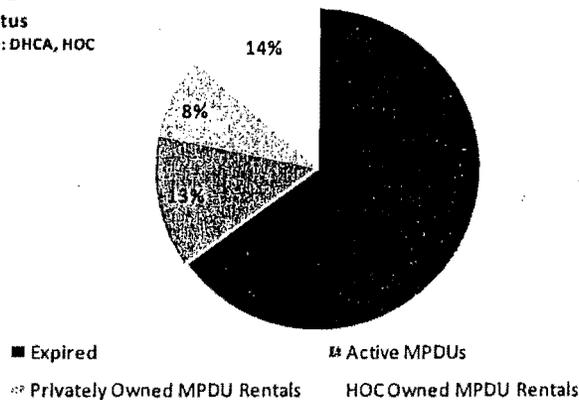
Redevelopment should be consistent with the concepts set forth in the report *Framework for Planning In The Future: Revitalizing Centers, Reshaping Boulevards, and Creating Great Public Spaces*. Many existing commercial centers offer opportunities for increased residential density in proximity to employment centers and retail opportunities. These revitalized centers will also need to be better connected, which the County can accomplish by improving transit service, reconnecting communities to the grid, and improving pedestrian and bicycle amenities and connectivity. Finally, increasing density in areas targeted for growth will cause the market to increasingly demand better public spaces. Potential strategies might include the following:

- Rezoning to higher density—or implementing minimum density requirements in the use of our zones. Historically, we have typically only used about 60 percent of the density allowable in our zones.
- Allowing smaller lots, which would be appropriate for cottage zoning, as an example.
- Allow—and encourage construction of—accessory apartments in all or nearly all areas of the County, especially in areas proximate to metro stations
- Permit flexible-unit size apartment buildings, where walls, plumbing and utilities are built to allow easy reconfiguration to respond to changing market for unit sizes.
- Reduce parking requirements for affordable housing projects, especially near transit and mixed use developments.
- Avoid over-loading projects with fees and exactions—especially in weak market environments—that could render an otherwise promising project economically unviable.
- Allow planners greater flexibility to negotiate with developers to achieve a desired mix of density, affordability and supporting amenities without burdening individual projects with a standard set of requirements. Focus on ensuring provision of amenities and mitigations with community- or neighborhood-wide—rather than project-specific—benefit.
- Expand greentape assistance. Ensure that all development applications with at least 20 percent affordable or workforce housing are entered into an accelerated review process.

## MPDUs

The MPDU program has successfully provided thousands of affordable housing units to County residents over the past 35 years. In recent years, policy makers and planners have become concerned about the transition from price-controlled units to market rate units that has occurred due to short control periods. The response has been to increase the control period to 30 years for for-sale MPDUs and 99 years for rental MPDUs, and make the control period resettable for both types, which effectively makes the unit affordable permanently. 65% of MPDUs that have been developed over the programs lifetime have had their control period expire. The increase to a 30-year control period will help curtail the number of units able to be sold at market rate prices.

MPDU  
by status  
Source: DHCA, HOC



Existing MPDUs are in danger of expiring. Assuming no resets, it is expected that 1,030 for-sale MPDUs will expire by 2014, and 888 for-rent MPDUs will expire by 2024. The loss of these units would

have a huge impact on the affordable housing supply in the County. In addition to the units already developed and in the housing stock, there are over 3,000 MPDUs in the development process (as of February 2008). Due to the new control period, these units will be able to provide affordable housing options in the County far into the future and offset expected losses due to control periods expiring.

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## Anticipated Future Supply of New MPDUs

Source: DHCA, HOC

	<i>Number of</i>	
	<i>Units</i>	<i>% Distribution</i>
Pending Applications	1,691	54%
Certified Site Plans	1,148	37%
Ready for Sale/Rent 2008	121	4%
Ready for Sale/Rent Near Future	169	5%
TOTAL	3,129	100%

## MPDU Status, Units Built Since 1972

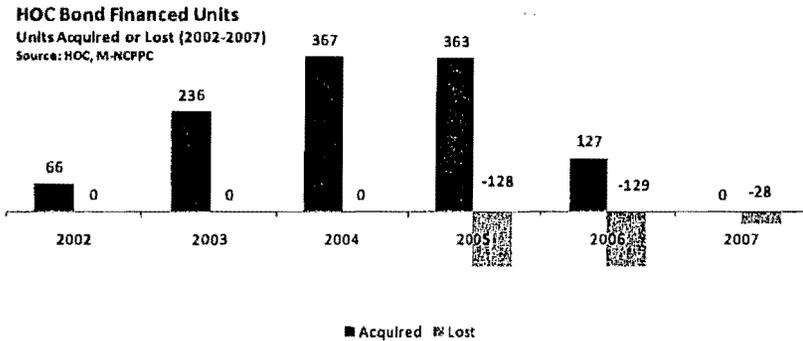
Source: DHCA, HOC

	<i>Number of</i>	
	<i>Units</i>	<i>% Distribution</i>
Expired	8,126	65%
Active MPDUs	1,654	13%
Privately Owned MPDU Rentals	1,006	8%
HOC Owned MPDU Rentals	1,714	14%
Total MPDUs	12,500	100%

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## HOC AND MARYLAND FINANCED AFFORDABLE HOUSING

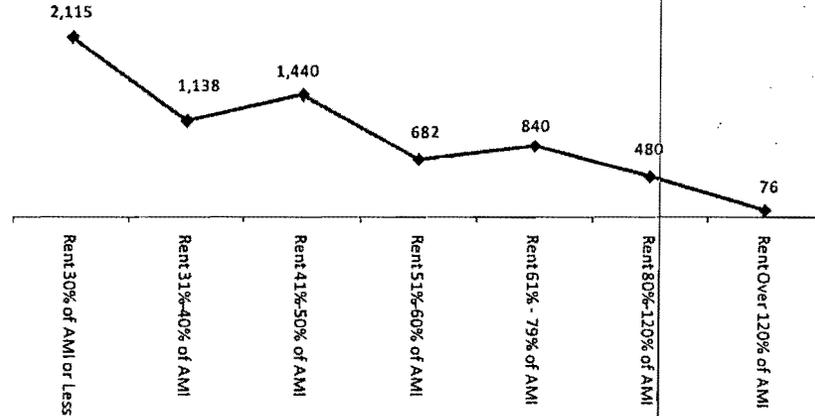
The Housing Opportunities Commission (HOC) plays a vital role in the provision and maintenance of the affordable housing stock in Montgomery County. They have successfully accumulated over 6,000 units that are targeted at various levels of affordability. Between 2002 and 2007, HOC has increased their affordable unit stock by a net of 874 bond financed units.



HOC concentrates on providing housing to households earning the least. About 65% of their units are aimed at households most in need of help. (Households earning less than 50% of AMI.) HOC owns or manages units that are affordable to households making up to 120% of AMI (and in very few cases exceeding 120% of AMI), with the emphasis on those households making less than 50% of AMI.

In addition to HOC, Maryland provides bond financing for projects that provide affordable housing. There are 139 state bond-financed projects that have yielded a minimum of 2,961 affordable units in Montgomery County. Together the State, HOC, and the

**HOC Bond Financed Units**  
by Household Income Range Target  
Source: HOC, M-NCPPC



County are working to provide a wide range of affordable housing units to County residents.

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### HOC Bond Financed Units (2002-2007)

Source: HOC; M-NCPPC

	2002	2003	2004	2005	2006	2007	Total
HOC Acquired Units	66	236	367	363	127	0	1,159
HOC Units Lost	0	0	0	(128)	(129)	(28)	(285)

### HOC Bond Financed Units (2007)

Source: HOC; M-NCPPC

	Number of Units	% Distribution
Rent 30% of AMI or Less	2,115	31%
Rent 31-40% of AMI	1,138	17%
Rent 41-50% of AMI	1,440	21%
Rent 51-60% of AMI	682	10%
Rent 61-79% of AMI	840	12%
Rent 80-120% of AMI	480	7%
Rent Over 120% of AMI	76	1%
Total Units	6,771	100%

CHI