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September 30, 2024

Montgomery County Council President 100 Maryland Avenue Rockville MD 20850

Re: Impact tax Bill 16-24 Development Impact Tax-Amendments

Tuesday, October 1, 2024, 1:30pm - 3:30pm

Good afternoon, Mr. President and members of the Council.

I am Jim Clifford a Farmer and have been a Land Use Attorney in Upper Montgomery County for the past 45 years. With just three (3) minutes to speak, I wish to limit my comments to 52-49 (i) of the subject legislation. This provision addresses a critical problem and inequity that exists in the current Development Impact tax rates, especially in the Green Zone, which encompasses the Agricultural Reserve.

For seven (7) years I have tried to help my clients orchestrate a small lot, small house subdivision in the town of Poolesville. This project is to address the Town's desire to add missing middle housing primarily for first time home buyers and move down seniors that are now moving to Frederick County to meet their housing needs. Because the current Development Impact rates do not differentiate between a 2,000 square foot house and a 4,000 square foot house, and the cost in impact fees approaches \$60,000.00 for a single-family dwelling in the Green Zone, builders are reluctant to build a small house for the same impact tax they pay for a larger home where they can make more money. On the Poolesville project we have approvals and record plat for 62 new homes with the LOT sizes of only 4,000 square feet. Our lot sizes are smaller than the house sizes being built elsewhere in the County. We anticipate the cost of these homes will also be half the cost of the other new houses being offered in the Up County. It only makes sense that building smaller houses can be incentivized by the County having the Impact Tax relate to the house size. This would help all Zones that are in short supply of missing middle housing.

My client's small houses in Poolesville will be offered with two and three bedrooms. All the homes are adjacent to or within a short walk of the public and commercial areas as well as the elementary school and high school. This will be a prototype development for a small walkable community needing little or no vehicles to navigate everyday living. I also have clients with similar properties in Potomac and Bethesda that would like to do this sort of development, if the impact tax fits the formula as proposed in this amended Impact tax legislation.

However, I would ask you to consider moving up the maximum square feet qualifier for the house from 1,800 square feet to 2,200 square feet in order to fit front loaded garages and a first-floor master bedroom in these small houses. We have found that 1,800 square feet is too small a footprint in a two-story house to do first floor master which are important to seniors. Consider, that in a 1,800 square feet house with only 900 square feet on the first floor and the inset garage taking up 400 square feet and a master bedroom and bath using another 400 square feet there will only be 100 square feet left to buildout the first-floor kitchen, dining area, living room, entry way and hallways. 2,200 square feet is a more reasonable limit for this housing product and proposed tax break. As I understand it, Park and Planning was considering townhouses when they proposed the 1,800 square foot qualifier.

This subject is of great interest for me, and I will make myself available to the Council as needed. Thank you.

Sincerely,

CLIFFORD, DEBELIUS & BOYNTON, CHTD.

JAMES R. CLIFFORD, SR., ESO.

JRC/map

cc: William F. Willard, Sr.