

Testimony of M. Elizabeth Joyce  
More Housing NOW  
ZTA 25-02 and Bill 2-25  
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Good afternoon, Council President Stewart and Councilmembers. I'm Elizabeth Joyce from Silver Spring, and I thank you for this opportunity to speak about More Housing NOW. Housing is the most important cost-of-living issue facing our nation right now. So Montgomery County must get this right and take the time and effort to do so.

First, sincere thanks to the sponsors for heeding residents' concerns about previous plans, such as the Attainable Housing Strategies Initiative—and about the need for alternative solutions, such as converting commercial buildings to housing, increasing workforce housing, and providing down payment assistance. Building on major corridors rather than upzoning residential neighborhoods is a powerful move in the right direction and a welcome act of good faith. And most important, thank you for removing the requirement that new structures under this bill be approved by right.

Given all these positive steps, I would like to wholeheartedly support these bills. Yet some remaining problems could undermine any chance of this program's success and leave the County with fewer resources to meet its other responsibilities.

Under ZTA 25-02, despite its "workforce housing" nomenclature, most new housing would be market rate (and the Workforce Housing Program itself has not had significant success). Of course, the County does face a housing shortfall, but this proposal does little to address the

most important problem—affordability. Although recent projections about the actual number of needed units are now in question, the Council of Governments estimates that the majority of new residents in the coming decades will be low-income, making under \$50,000. This proposal will do little for these residents because most new housing will be market rate. Furthermore, upzoning often leads to a reduced supply of affordable housing and increases the prices of both multi-family units and single-family homes in desirable areas. How will these bills prevent these undesirable consequences?

The Workforce Housing Program requires that buyers live in their units and observe certain restrictions. Will ZTA 25-02 include these requirements, which would discourage the purchase of these units by speculators and absentee landlords, taking money out of the County rather than having it spent here? Will these units be equitably distributed throughout the County or concentrated in already-dense areas with small lots? How many current lower-income residents will be displaced on such corridors as Georgia Avenue and Viers Mill Road in Wheaton? And how will this ZTA relate to the highly complex corridor plans now being introduced—and generating great controversy, in such communities as Kemp Mill? And will these bills use master plans or circumvent them through “optional method of development” without adequate public input on proposed changes?

Many concerns about the Attainable Housing Strategies Initiative apply also to this new plan. Particularly on heavily traveled corridors, the County now has huge infrastructure problems. For example, on one night this winter, 130 pipes burst countywide, causing the County to issue an order to conserve water. And that is with the infrastructure we have now.

It makes no sense to build any new housing without analyzing the infrastructure needs (schools, stormwater management, public safety, and the environment) and planning how to pay for them. Despite recent incentives such as increasingly lower impact taxes, the needed housing and infrastructure fails to appear, and more than 30 thousand approved units in the pipeline remain unbuilt. Why, and who will pay for these improvements? The current tax payers, already facing steep property tax increases and further increases from the state, are likely to be further burdened. Montgomery County is steadily losing middle class taxpayers, often for these reasons.

My second concern is Bill 2-25, Payment in Lieu of Taxes, which offers a 25-year property tax holiday to specified developers for converting commercial properties to housing. It seems reasonable to ask why, at this time of financial crisis in the federal government and the County, the Council should consider such an expensive proposition. No one knows the impact of the Trump Administration's massive firings of federal workers, but it is likely to be dire. It seems questionable to consider such a proposal at this time.

Also, regardless of the timing, the Council has tended to pass giveaways to developers with no strings attached to encourage more housing production. For example, how many units were built under the recent bill that gave similar tax breaks to developers of units over Metro stations? There are more effective ways, such as competitive application processes, to yield desired results.

Not only that, but the Office of Legislative Oversight Racial Equity study predicts a negative impact on minorities, likely benefiting landlords and tenants who can afford market-rate housing. OLO says the bill could

widen existing racial disparities and impair the county's financial ability to provide public goods and services for the BIPOC community.

We all understand the urgency of the County's housing problems. But too often we hear, "But we HAVE to do something," regardless of whether the proposed "something" will work. When Thrive Montgomery 2050 was rushed to passage, the County Office of Management and Budget warned that its costs could be prohibitive, yet these concerns were dismissed because Thrive was viewed as a "vision" rather than a concrete plan. But successful "visioning" rests on solid empirical data and financial analysis, sound budgeting, and careful (and regular) benchmarking to ensure desired results.

Under these circumstances, the Council should stop to analyze the impact of the federal crisis on Montgomery County residents, and our real estate market and revise and update its data before passing these proposed plans.