

## TESTIMONY OF THE GREATER CAPITAL AREA ASSOCIATION OF REALTORS® BEFORE THE MONTGOMERY COUNTY COUNCIL

Regarding the More Housing N.O.W. Legislative Package

March 11, 2025

My name is Samantha Damato, and I am testifying today on behalf of the Greater Capital Area Association of REALTORS® (GCAAR), 12,000 REALTORS®, property managers, title attorneys, and other real estate professionals, to express our strong support for More Housing N.O.W. (New Options for Workers) legislative package.

Lead sponsors Councilmember Friedson and Councilmember Fani-Gonzalez have done this county a service – they have offered multiple solutions to the multi-faceted problem of housing. Council President Kate Stewart and Councilmembers Marilyn Balcombe, Dawn Luedtke and Laurie-Anne Sayles have signed on as co-sponsors, signaling their strong support for making real positive change happen.

In Montgomery County's 2024 Resident Survey, there was a sharp decline in confidence in this county's efforts to provide housing. From page 8, Key Findings:

*"Declining ratings were seen for well-planned residential and commercial growth, well-designed neighborhoods, [and] variety of housing options."*

The poll has dozens of other red flags about the direction and quality of our county, with 77 of the 123 annual questions showing a decrease in approval.

The survey projected less than one fifth of county residents believe housing affordability and availability are improving. What are you, as our elected leaders, doing to serve the 82% of residents who believe the housing marketplace is stagnant or actively getting worse?

Opponents of this legislation continue to spread the malicious narrative that anyone involved in developing housing is a millionaire, unless they work for a nonprofit.

The fact is the real estate industry is a force multiplier for any local economy. The vast majority of those building and maintaining these homes are middle-class, blue-collar workers that our county depends on. According to the United States Bureau of Economic Analysis, the employment multiplier for real estate in Montgomery County was 1.44 in 2023. For every new job in real estate, an additional 0.44 new job opened in other industry. The multiplier for rental and leasing services was even more significant, coming in at 2.20.

Another oft-repeated attack on this proposal is that it does not focus on units affordable to middle-income households, creating opportunities for our teachers, first responders, and other essential workers to live here.

Fortunately, that is exactly what Zoning Text Amendment (ZTA) 25-02 accomplishes! It incentivizes the creation of and develops better procedures for workforce housing. Like the MPDU program, this requires more affordable housing be built – this time targeting middle income residents – without the need for direct economic support that would further empty our already dwindling coffers.

Some direct their focus to prioritizing "high yield strategies." The fact is that in our jurisdiction, with our current conditions, there are no single strategy that will produce a high yield of housing for lower- and middle-income residents. This is a strong start.

We face a deficit of tens of thousands of rental units that are affordable to incomes at 70-120% of area median income. If not this, what is the alternative to fill that gap?

The firefighters of IAFF, CASA de Maryland, the Montgomery County Black Collective, Habitat for Humanity Maryland, Montgomery Housing Partnership, and teachers from across the county have publicly endorsed this as part of the solution. The populations you say are in need are asking you to help them with *this housing package*.

You have called for a pause on *any* Council action to respond to the well sourced and expertly crafted Attainable Housing Strategies findings, criticizing it for not focusing on housing at the lowest economic level, when that was never its main objective. Your solutions all involve more county money without any steps to engage private industry to help solve this problem.

Bill 2-25 and Zoning Text Amendment 25-03 make development partnerships with private industry more likely. And there is no solution without private industry. Every time you dismiss their role it makes Montgomery County less attractive for economic development. In a time where the state is cutting billions from its budget and shifting more financial responsibility to the county, attempts to further burden residents with more taxes and fees are regressive and will further set this county back.

A few final thoughts as we close our testimony. GCAAR has concerns about the funding sources for some of the expenditures More Housing NOW puts forward. We fully expect the County Executive to propose an egregious new level of taxes, putting undue strain on already burdened residents. We do not want these proposals to be used to justify, and will fight any effort to do so. More housing stock necessarily equates to more taxes: you can boost your revenue streams by building more taxable housing stock under this and other strategies, instead of continuing to increase the tax rate on existing homeowners.

We expect this to be a first step in the journey to make Montgomery County an affordable and welcoming place for all. With the bold leadership that this legislation represents, we can do great things in service of our community.

We look forward to working with you as this moves forward. Thank you for your time, and please do not hesitate to reach out if myself or our association can be helpful in any way.