## Written Testimony following in-person Testimony of Shaazka Beyerle on More Housing NOW ZTA 25-02, Presented March 11, 2025

- Preserve don't destroy naturally-occurring, moderately-priced single-family housing.
   ZTA 25-02 will result in tear-downs of such housing and will create pressure on moderate-income homeowners to sell. This will lead to displacement, gentrification, and smaller units unsuitable for families and multi-generation households that cost more per square foot than the original SF houses.
- 2. Learn from other cities' innovative approaches to creating workforce and affordable housing, such as Atlanta, Austin, Cleveland, Salt Lake City.
  - Unlock public land as in Atlanta and Salt Lake City do a first-time or updated inventory across all parts of MOCO focusing on publicly-owned land and real estate assets to create both workforce and affordable housing.
    "Cities across the United States possess extensive but underutilized land and property assets that hold immense potential for addressing pressing housing challenges. The leveraging of public assets could be used as a vehicle to make affordable housing projects "pencil," lowering the costs of production and engaging public sector entities as equity partners. Unlocking this potential could be part of broader initiatives to produce hundreds of thousands of affordable housing units. The Putting Assets to Work (PAW) Initiative has been working with several U.S. cities to pioneer a replicable solution."
    EXCERPT SOURCE: <a href="https://drexel.edu/~/media/Files/nowak-lab/State%20and%20Local%20Housing%20Action%20Plan%20Tools/Municipal-lab/State%20and%20Local%20Housing%20Action%20Plan%20Tools/Municipal-</a>
  - Create something like the "Housing Strike Force" launched by <u>Atlanta Mayor</u> <u>Andre Dickens.</u>

Property-Advisors.ashx:

As is happening in other localities, **bring into the fold County Municipal Property Advisors** (MPAs)— these third-party professionals help local governments convert public land to affordable and workforce housing.

For example, cities like Austin are contracting with MPAs, which act as intermediaries on behalf of the jurisdiction. Their responsibilities include: "identifying, monetizing, and redeveloping underutilized public assets to drive public objectives, including the production of affordable housing, through private investments."

QUOTATION SOURCE: <a href="https://drexel.edu/~/media/Files/nowak-lab/State%20and%20Local%20Housing%20Action%20Plan%20Tools/Municipal-Property-Advisors.ashx">https://drexel.edu/~/media/Files/nowak-lab/State%20and%20Local%20Housing%20Action%20Plan%20Tools/Municipal-Property-Advisors.ashx</a>
<a href="https://www.gfoa.org/materials/the-sorenson-impact-center-gfoa-through-its-rethinking">https://www.gfoa.org/materials/the-sorenson-impact-center-gfoa-through-its-rethinking</a>

- Instead of questionable trickle-down housing policies through upzoning single-family properties, tackle high housing prices directly by supporting the uptake of modular housing, which reduces ever-increasing construction costs that will only get worse because of tariffs.
  - ➤ Over the last 10 years construction costs have increased at more than double the inflation rate. This is the case for all housing types: for sale, for rent, market rate, and affordable.
  - Increased construction costs are the result of a number of factors. First, there's a nation-wide shortage of construction workers and skilled tradespeople, which will likely get worse due to immigration restrictions. Second, the costs of raw materials have gone up, including lumber. Third, regulatory requirements can increase costs and decrease supply.
  - ➤ Cities like Boston and Cleveland are actively recruiting modular factories through a combination of government grants and use of publicly-owned land. The Metropolitan Area Planning Council — a regional urban planning agency in the Boston area — has launched a partnership with Newton, Cambridge, Everett and Boston to bring a modular housing manufacturing facility to their region. So not only did local government attract localized manufacturing facilities, they created jobs!
  - FYI, VA already has modular housing codes. Why not Maryland?
- 4. **Stop using average home prices. This is grossly misleading**. To quote one real estate website: "In almost every case you'll get a better answer by taking the median of a set of home prices, not the average."
  - The Plan refers to the average SF home sale price being over \$1,000,000? Not accurate!
  - Bright MLS data (most comprehensive dataset available) states that the average 2024 MOCO home sale price was \$757,846, and most importantly the median price was \$615,000 a big difference from 1 million! Brokerage firm data for January and February 2025 also indicate that prices have been flat to falling.

- 5. KUDOS for the home ownership and office conversion components of the More Housing NOW Plan. They should be enacted. BUT for conversions, synergize land-value taxes with tax abatements.
  - ➤ Land value taxes can increase the holding costs of high-vacancy commercial properties while tax abatement is the incentive to stimulate the conversions.