Andrew Friedson Montgomery County Council 100 Maryland Avenue, 6th Floor Rockville, MD 20850 Natalie Fani-González Montgomery County Council 100 Maryland Avenue, 6th Floor Rockville, MD 20850

Dear Councilmembers Friedson, Fani-González, Stewart, Jawando, Albornoz, Balcombe, Glass, Katz, Luedtke, Mink, and Sayles:

On behalf of the Wildwood Manor Citizens Association (WMCA), I am writing to express our concerns about the *More Housing N.O.W.* (New Options for Workers) package.<sup>1</sup> WMCA represents more than 500 Bethesda homes located just east of MD 187 (Old Georgetown Road) and bordered by I-270 on the North, Snow Point Drive on the East, and Grosvenor Lane and Southport Drive on the South.

The *More Housing N.O.W.* package is better than the Planning Board's *Attainable Housing Strategies Initiative (AHSI)*,<sup>2</sup> which would have eliminated single-family zoning throughout Montgomery County in order to build more market-rate housing. WMCA appreciates the Council's consideration of community feedback and rejection of the significantly flawed AHSI proposal.

However, WMCA has many of the same concerns with the More Housing N.O.W. proposal as we did with the AHSI. WMCA is very concerned about the negative impact of increased population density along the County's corridor roads on the environment, schools, infrastructure, transportation, public safety, and adequate public facilities and services. Before moving forward with the More Housing N.O.W. or similar proposals, the County Council should take the necessary time to conduct, analyze, and consider evidence-based studies of the proposal's expected impacts on the County and its residents' quality of life. The Council should also consider the impacts of the State budget deficit and the Trump Administration's policies on Montgomery County residents and the real estate and job markets before committing the County to any new expenditures that we cannot afford.

<sup>&</sup>lt;sup>1</sup> Montgomery County Council. (2025). Andrew Friedson, Councilmember, District 1. *More Housing N.O.W.* (hereinafter "More Housing N.O.W., the proposal, or package"). Available at: <a href="https://www.montgomerycountymd.gov/Friedson/initiatives/more-housing-now.html">https://www.montgomerycountymd.gov/Friedson/initiatives/more-housing-now.html</a>.

<sup>&</sup>lt;sup>2</sup> Montgomery Planning. (2024). *Attainable Housing Strategies Report: Planning Board Recommendations* (hereinafter "AHS Report"). Available at: <a href="https://montgomeryplanning.org/wp-content/uploads/2024/06/2024-AHS-Final-Report.pdf">https://montgomeryplanning.org/wp-content/uploads/2024/06/2024-AHS-Final-Report.pdf</a>.

Our specific concerns and recommendations are detailed below:

# WMCA Comments on Zoning Text Amendment (ZTA) 25-02, Workforce Housing – Development Standards

# **ZTA 25-02 Inappropriately Bypasses the Master and Sector Planning Processes for Modifying Zoning**

In its *Priorities and Approaches for Housing Policy and Legislation* policy statement, the Montgomery County Civic Federation notes that "[the Master and Sector planning] processes allow for consideration of important factors unique to a neighborhood, including existing density, transportation, infrastructure and adequate public facilities, and environmental concerns. These processes also allow for meaningful engagement with the specific community." Instead of taking the unique features and factors of different neighborhoods into account, ZTA 25-02 will impose an inappropriate one-size-fits-all upzoning policy across the County. The County Council and Planning Board should not bypass the Master and Sector Planning processes by implementing ZTA 25-02.

## ZTA 25-02 Will Exacerbate School Overcrowding in the Walter Johnson and Other School Clusters

WMCA is concerned that increasing population density along MD 187 (Old Georgetown Road), Democracy Boulevard, and other nearby corridors will exacerbate school overcrowding in the Walter Johnson cluster.

Ashburton Elementary School (Ashburton ES) has a capacity of 822 students.<sup>4</sup> However, current enrollment for the 2024-2025 school year "hovers around 878 students," which is 107% of capacity. The enrollment projection for the 2025-2026 school year is 903 students, representing 110% of school capacity.<sup>6</sup>

North Bethesda Middle School (NBMS) is beyond its capacity of 1,203 students with a current enrollment of 1,224.<sup>7</sup> The enrollment projection for the 2025-2026 school year is 1,268 students,<sup>8</sup> representing 105.5% of school capacity.

<sup>&</sup>lt;sup>3</sup> Montgomery County Civic Federation. "MCCF Resolution on Priorities and Approaches for Housing Policy and Legislation" (hereinafter "MCCF Housing Resolution"). Civic Federation News, June 2024, p. 19. Available at: <a href="https://www.montgomerycivic.org/files/CFN202406-P.pdf">https://www.montgomerycivic.org/files/CFN202406-P.pdf</a>

<sup>&</sup>lt;sup>4</sup> Montgomery County Public Schools. (2024, October 18). Superintendent's Recommended FY 2026 Capital Budget and Amendments to the FY 2025–2030 Capital Improvements Program (hereinafter "FY 2025-2030 CIP"). Walter Johnson Cluster p. 4-42. Available at: <a href="https://gis.mcpsmd.org/cipmasterpdfs/CIP26">https://gis.mcpsmd.org/cipmasterpdfs/CIP26</a> EntireBook.pdf

<sup>&</sup>lt;sup>5</sup> M. Jacobs, Administrative Secretary, Ashburton Elementary School, personal communication, February 18, 2025.

<sup>&</sup>lt;sup>6</sup> FY 2025-2030 CIP at p. 4-42.

<sup>&</sup>lt;sup>7</sup> Id.

<sup>&</sup>lt;sup>8</sup> ld.

Similarly, Walter Johnson High School (WJHS) has a capacity of 2,251 students.<sup>9</sup> However, current enrollment for the 2024-2025 school year is 3,012 students,<sup>10</sup> which is 134% of capacity. There are 19 portables, with barely any space to add more.<sup>11</sup> The enrollment projection for the 2025-2026 school year is 3,048 students,<sup>12</sup> representing 135.5% of school capacity. We note that these are current enrollment projections for Ashburton ES, NBMS, and WJHS, without taking into consideration any increases in population density due to implementation of proposed ZTA 25-02 and any possible commercial-to-residential conversions.

There simply is not enough space in the Walter Johnson cluster schools to accommodate significantly more students. To make matters worse, Montgomery County has proven its inability to finance and build adequate schools, as evidenced by the fact that Charles W. Woodward High School on Old Georgetown Road opened as a holding school for Northwood High School students for the 2024-2025 school year without a stadium, track, and athletic fields or an auditorium. Due to fiscal constraints, the completion date for the reopening of Woodward as a high school to alleviate overcrowding at WJHS has been pushed back to August 2027. Furthermore, the County Council "shifted planning expenditures [for a new elementary school for the WJ cluster] to the out-years of the adopted FY2025–2030 CIP. Once planning is complete, construction funds, along with a completion date, will be considered in a future CIP." WMCA believes that the County Council should be working to address school capacity concerns, rather than proposing to allow even more residential development in our already overcrowded school clusters.

### **ZTA 25-02 Will Overtax the Water Supply and Sewer Systems**

WMCA has significant concerns about the negative impact of increased population density on Wildwood Manor's and County neighborhoods' water supply and sewer systems. Montgomery County's aging infrastructure was designed to handle the density of our single-family neighborhoods, not a significantly increased population.

In discussing the 1/6/2025 water main break that flooded part of Downtown Bethesda, Washington Suburban Sanitary Commission (WSSC Water) spokesperson Lyn Riggins stated that "aging infrastructure was a factor. The pipe that broke was originally installed in 1932 and was about 93 years old." She went on to explain that "approximately 40%"

<sup>&</sup>lt;sup>9</sup> ld.

<sup>10</sup> ld

<sup>&</sup>lt;sup>11</sup> K. Kinsey-Nahar, Administrative Secretary, Walter Johnson High School, personal communication, September 9, 2024.

<sup>&</sup>lt;sup>12</sup> FY 2025-2030 CIP at p. 4-42.

<sup>&</sup>lt;sup>13</sup> Montgomery County Public Schools. (Spring 2024). *NORTHWOOD* @ *WOODWARD FAQ HUB*, "Facilities: Phases of Construction." Available at:

https://www.montgomeryschoolsmd.org/schools/northwoodhs/faq-hub/

<sup>&</sup>lt;sup>14</sup> FY 2025-2030 CIP at p. 4-40.

<sup>&</sup>lt;sup>15</sup> Id. at p. 4-41.

<sup>&</sup>lt;sup>16</sup> Griffin, E. "Wisconsin Avenue lanes reopen after downtown Bethesda water main repair." *Bethesda Today*, 7 January 2025, <a href="https://bethesdamagazine.com/2025/01/07/wisconsin-avenue-water-main-repair/">https://bethesdamagazine.com/2025/01/07/wisconsin-avenue-water-main-repair/</a>

of the water mains in the WSSC Water system are more than 50 years old."<sup>17</sup> In expressing his concern about upzoning's impacts on infrastructure during the 11/19/2024 staff briefing on the AHSI, Council Vice President Will Jawando noted that "if your house was built before 1993, you have these skinny pipes that are less than an inch. . . and that impacts the water capacity."18

Ramapo, New York is a case in point of the inability of sewage infrastructure to accommodate new multi-family residential development. As reported in Cityscape, "New Jersey residents living downstream of Ramapo filed a multimillion-dollar lawsuit against the sewer district that serves the town, successfully proving in court that the local sewer plant had overflowed into the Upper Saddle River multiple times between 2006 and 2010. . . Despite subsequent investments in capacity, emergency sewage discharge occurred again in 2022, which environmental activists also connected with 'extensive development in the area."19 Ramapo also experienced inadequate water pressure to fight a nursing home fire, resulting in two deaths.<sup>20</sup>

These are the kinds of adverse consequences of overdevelopment that WMCA is concerned about and for which the County Council has given short shrift.

### ZTA 25-02 Will Exacerbate the Inadequacy of the County's **Stormwater Management System**

As with the water supply and sewer systems, WMCA has significant concerns about the negative impact of increased density and loss of pervious surfaces under ZTA 25-02 on the County's stormwater management system. WMCA's concerns are heightened by the fact that the County's current stormwater management code does not even address lot-to-lot drainage for three- and four-unit multiplex buildings.<sup>21</sup>

Ineffective stormwater management can have many negative consequences, including flooding of homes and businesses. As County Executive Elrich noted, "the County stormwater system will have to be upgraded because the outdated system is not equipped for the impacts of climate change. . . Our sewers are often not large enough for the volume of water and ultimately fail to move the water fast enough which causes

<sup>&</sup>lt;sup>17</sup> Id.

<sup>&</sup>lt;sup>18</sup> Montgomery County Council. (2024, November 19). Council Session [Video]. 1:09:20 – 1:09:32 minutes. Available at:

https://montgomerycountymd.granicus.com/player/clip/17674?view id=169&redirect=true

<sup>&</sup>lt;sup>19</sup> Huennekens, JW (2023). Learning from Land Use Reforms: The Case of Ramapo, New York. Cityscape: A Journal of Policy Development and Research, Urban Affairs Review, 25(2), 225-256., p. 246. https://www.huduser.gov/portal/periodicals/cityscape/vol25num2/ch10.pdf <sup>20</sup> ld

<sup>&</sup>lt;sup>21</sup> Montgomery Planning. (2025). CLIMATE ASSESSMENT FOR ZTA 25-02, WORKFORCE HOUSING -DEVELOPMENT STANDARDS (hereinafter "Climate Assessment for ZTA 25-02"), p. 5. Available at: https://montgomeryplanning.org/wp-content/uploads/2025/03/CA-ZTA-25-02-WH-DevStandards.pdf

flooding."<sup>22</sup> The inadequacy of the County's stormwater management system will only be exacerbated by increases in population density that will be generated by ZTA 25-02.

# ZTA 25-02 Will Harm the Environment by Leading to a Loss of Tree Canopy and Pervious Cover

Montgomery County neighborhoods benefit from mature trees that not only provide beauty, shade, and animal habitat, but also improve air quality and decrease stormwater runoff. As the County's Climate Change Officer Sarah Kogel-Smucker noted: "Tree canopy is incredibly important to Montgomery County. Trees are climate superheroes that remove carbon pollution from our atmosphere while providing the shade needed to withstand hotter temperatures." 23

Unfortunately, between 2014 and 2018 (the latest years for which data is available), Montgomery County lost 5,784 acres of tree canopy, reducing the percentage of tree canopy cover from 48.6% to 46.7%.<sup>24</sup> ZTA 25-02 will only exacerbate this troubling trend.

In its *Climate Assessment for ZTA 25-02*, the Planning Board confirmed harms to the environment, stating: "Depending on the number, density, and location of projects, sensitivity-related minor to moderate negative impacts are expected due to decreases in non-forest tree canopy and other green areas, increased heat impacts due to increases in impervious surfaces, decreases in pervious cover, potential need for enhancements in existing stormwater management systems, increased stormwater runoff and decreased water quality, and decreased air quality due to increases in numbers of motor vehicle trips and vehicle miles traveled."<sup>25</sup> The County Council should not pass ZTA 25-02 with its attendant environmental harms.

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<sup>&</sup>lt;sup>22</sup> Elrich, M. (2024, August 9). *County Executive Marc Elrich Weekly Update Message 08.09.2024* [Video]. 9:36 – 12:12 minutes. YouTube. <a href="https://www.youtube.com/watch?v=2AYJ92e3acc&t=2s">https://www.youtube.com/watch?v=2AYJ92e3acc&t=2s</a>

<sup>&</sup>lt;sup>23</sup> Griffin, E. "County trees threatened by climate change, development, invasive plants and bugs (hereinafter "County trees threatened")." *MoCo 360*, 10 May 2024,

https://moco360.media/2024/05/10/county-trees-threatened-by-climate-change-development-invasive-plants-and-

bugs/#:~:text=According%20to%20the%20tree%20canopy,the%20county's%20climate%20change%20of ficer.

<sup>&</sup>lt;sup>24</sup> Metropolitan Washington Council of Governments. (April 2024). *CONSERVING TREES AND FORESTS IN METROPOLITAN WASHINGTON*, p.29. Available at: file://Users/Karin/Downloads/Conserving Trees combined rpt web041024v2.pdf

<sup>&</sup>lt;sup>25</sup> Climate Assessment for ZTA 25-02 at p. 3.

# ZTA 25-02 Will Worsen Traffic Congestion and Cause Delays in Emergency Medical, Fire, Rescue, and Police Services

### Concerns about Traffic Congestion on Old Georgetown Road and Other Corridors

WMCA is very concerned that ZTA 25-02 will worsen traffic congestion on Old Georgetown Road, Democracy Blvd., Rockville Pike, and other corridor roads. ZTA 25-02 will increase population density and associated cars on Old Georgetown Road at a time when the State and County have reduced the capacity of Old Georgetown Road between Ryland Drive and Tilden Lane by one-third with installation of the barely used bike lanes.<sup>26</sup>

The Maryland Department of Transportation State Highway Administration's (MDOT SHA) October 2024 report to the Maryland General Assembly on the impact of the installation of the bike lanes on Old Georgetown Road between Ryland Drive and Tilden Lane found that northbound "PM peak period travel times have increased up to 40% since the installation of the bike lanes." In addition, northbound travel times have increased starting at 2:00 PM through about 8:00 PM, as well as between 7:00 AM and about 9:30 AM compared to pre-installation travel times -- impacting traffic far more than just at peak hour. Southbound, post-bike lane installation travel times increased beginning at about 8:00 AM through about 5:00 PM -- a period of 9 hours. These increases in reported travel times are only for the portion of Old Georgetown Road between Ryland Drive and Tilden Lane, not south of Ryland Drive to Downtown Bethesda or north of Tilden Lane to Pike & Rose. Travel delays for the entirety of Old Georgetown Road are even longer and will only be exacerbated by ZTA 25-02.

### Concerns about Delays in Emergency Medical, Fire, Rescue, and Police Services

Increased traffic congestion on Old Georgetown Road, Democracy Blvd., Rockville Pike, and other corridor roads will also negatively impact the ability of emergency medical, fire, rescue, and police vehicles to serve Wildwood Manor and other neighborhoods in a timely manner, threatening public health and safety.<sup>30</sup> In addition to

<sup>28</sup> Id., Figure 3 at p. 5.

<sup>&</sup>lt;sup>26</sup> Maryland Department of Transportation State Highway Administration (MDOT SHA). (2024, October). *Information Related to Bike Lanes on Old Georgetown Road (MD 187): A Report for the Maryland General Assembly Senate Budget and Taxation Committee and House Appropriations Committee* (hereinafter "*MDOT SHA Bike Lanes Report*"). The October 2024 Report found only 26 – 53 daily cyclists utilizing the bike lanes during the May 2024 weekday intersection counts, and only 2 - 16 daily cyclists during the Saturday, May 2024 intersection count, compared with 36,000 vehicles per day that use MD 187.

<sup>&</sup>lt;sup>27</sup> Id. at p. 5.

<sup>&</sup>lt;sup>29</sup> Id. Figure 4 at p. 5.

<sup>&</sup>lt;sup>30</sup> Ed Levien, a Wildwood resident who serves on the Bethesda-Chevy Chase Rescue Squad, shared his concerns about the negative impact of the reduced capacity of Old Georgetown Road on patients and emergency vehicles with us as well as with Maryland Delegate Marc Korman: "As an active (Master) EMT

delays in emergency response times, WMCA is concerned about whether the County's emergency medical, fire, rescue, and police departments have the necessary resources to serve the population increases that would result from ZTA 25-02. This is already a concern, as the Montgomery County Police Department is "fac[ing] unprecedented staffing shortfalls."<sup>31</sup>

### ZTA 25-02 Fails to Take Into Consideration the Dense Development that Has Been Approved and/or is Already Being Built Along and Near the Old Georgetown Road and Other Corridors

By proposing even more residential development, ZTA 25-02 fails to consider the dense development that has been approved and/or is already being built along and near the Old Georgetown Road corridor. As noted below, much of that proposed development is now being built and even more has been approved in the Pike & Rose and White Flint areas:

- The 53.4-acre Rock Spring Centre property at the NW corner of the intersection of Old Georgetown Road and Rock Spring Drive is zoned Commercial Residential for mixed-use high-rise development.<sup>32</sup>
- The Mercury mixed-use building in the Wildwood Shopping Center on Old Georgetown Road will have 60 residential units and 10,093 square feet of retail space.<sup>33</sup> Construction of this building is expected to be completed in Q2 2025.<sup>34</sup>
- The Rae Apartments located at 10401 Motor City Drive in Bethesda have been completed and contain 343 residential units.<sup>35</sup>

with the Bethesda-Chevy Chase Rescue Squad, I experience first hand the dangerous impact the bike lanes have had on all emergency responders while trying to get to or from an emergency incident... as well as the LIFE THREATENING delays patients have had to endure because we were slower to get to them, or slower to get them to the proper emergency care they need." E. Levien, personal communication to Delegate Marc Korman, May 28, 2023.

<sup>&</sup>lt;sup>31</sup> Montgomery County Police Department. (2024, September 4). *Police Launch 'MoCoConnect Community Camera Sharing Program*' [Press Release]. https://montgomerycomd.blogspot.com/2024/09/police-launch-mococonnect-community.html

<sup>&</sup>lt;sup>32</sup> Montgomery County Planning Board. MCPB Item No. 7-28-2022. ROCK SPRING CENTRE: PRELIMINARY PLAN AMENDMENT NO. 11998092C, REGULATORY EXTENSION REQUEST #7; SITE PLAN AMENDMENT NOS. 82003036C, 82004017C, 82009003A, REGULATORY EXTENSION REQUEST #5, p.2. Available at: <a href="https://montgomeryplanningboard.org/wp-content/uploads/2022/07/Rock-Spring-Centre-Extension-Request-7-FINAL.pdf">https://montgomeryplanningboard.org/wp-content/uploads/2022/07/Rock-Spring-Centre-Extension-Request-7-FINAL.pdf</a>

<sup>&</sup>lt;sup>33</sup> klnb Commercial Real Estate Services. *The Mercury at Wildwood Shopping Center Brochure.* (2024). p. 2.

Available at: <a href="https://klnb.propertycapsule.com/property/output/document/view/id:71563">https://klnb.propertycapsule.com/property/output/document/view/id:71563</a>
<sup>34</sup> Id. at p. 1.

<sup>&</sup>lt;sup>35</sup> Foulger-Pratt Management, Inc. *The Rae.* (2023). Available at: <a href="https://www.theraeapts.com/">https://www.theraeapts.com/</a>

- The approved mixed-use development at Montgomery Mall would include 717 multi-family residential units.<sup>36</sup>
- The Grandview by Erickson Senior Living on 33 acres on Fernwood Road<sup>37</sup> has been approved for up to 1,300 dwelling units for senior adults, 210 assisted living/memory care units, 50 skilled nursing units, and 5,300 square feet of commercial uses.<sup>38</sup>
- Democracy Center, which was approved by the Planning Board on 1/16/2025, would include a seven-story, 386 residential unit building in the Rock Spring area near Rockledge Drive, Fernwood Road, and Westlake Terrace.<sup>39</sup>

The Old Georgetown Road/Democracy Boulevard corridors and neighborhoods simply cannot accommodate the additional residential development that would result from ZTA 25-02.

# Instead of ZTA 25-02, the County Council Should Consider and Pursue Other Effective Ways to Increase Workforce and Affordable Housing

Instead of inappropriately bypassing the Master and Sector Planning processes by passing ZTA 25-02, WMCA urges the County Council to consider other effective ways to address the need for workforce and affordable housing units, such as the following:

As recommended by the Planning Department, review the existing Workforce
Housing Program<sup>40</sup> to "address challenges and ensure the program is operating
efficiently;"<sup>41</sup>

grandview?utm source=google&utm medium=local&utm campaign=TGB

<sup>&</sup>lt;sup>36</sup> Montgomery County Planning Board. MCPB Item No. 3-26-2020. *ELP at Rock Spring, Local Map Amendment H-135*, p. 3. Available at: <a href="https://montgomeryplanningboard.org/wp-content/uploads/2020/03/A">https://montgomeryplanningboard.org/wp-content/uploads/2020/03/A</a> H-135-ELP-Rock-Spring-Staff-Report FINAL.pdf

<sup>&</sup>lt;sup>37</sup> The Grandview by Erickson Senior Living website. Available at: https://www.ericksonseniorliving.com/the-

<sup>&</sup>lt;sup>38</sup> Montgomery County Planning Board. MCPB Item No. 21-074. (2021, July 27), Preliminary Plan No. 120210040, ELP Bethesda at Rock Spring, Date of Hearing: July 1, 2021 [Resolution], p. 2. Available at: <a href="https://montgomeryplanningboard.org/wp-content/uploads/2021/07/ELP-Bethesda-at-Rock-Spring-Preliminary-Pln-No.-120210040-MCPB-No.-21-074-07012021.pdf">https://montgomeryplanningboard.org/wp-content/uploads/2021/07/ELP-Bethesda-at-Rock-Spring-Preliminary-Pln-No.-120210040-MCPB-No.-21-074-07012021.pdf</a>

<sup>&</sup>lt;sup>39</sup> Bethesda Today. Griffin, E. (2025, January 20). *Housing development approved for North Bethesda office park*. Available at: <a href="https://bethesdamagazine.com/2025/01/20/housing-386-units-approved-north-bethesda/">https://bethesdamagazine.com/2025/01/20/housing-386-units-approved-north-bethesda/</a>

<sup>40</sup> Montgomery County Department of Housing and Community Affairs. (2025). *Workforce Housing Program.* Available at:

https://www.montgomerycountymd.gov/DHCA/housing/singlefamily/workforce/index.html

<sup>41</sup> MORE HOUSING N.O.W. Report at p. 37.

- Wait until the Planning Department has completed its analysis of the development pipeline and then "implement strategies and policies to accelerate the construction of unbuilt pipeline units to meet [the County's] housing goals;"<sup>42</sup>
- Like Atlanta has done,<sup>43</sup> conduct an inventory of all publicly owned land to identify opportunities to build workforce and affordable housing;
- Consider increasing the percentage of required Moderately Priced Dwelling Unit (MPDU) units, adjusting the MPDU income requirements, requiring that MPDU units reflect the mixture of unit sizes available in the project, and ensuring that projects replacing projects meeting MPDU requirements at least maintain the percentage of affordable units:<sup>44</sup>
- Establish a No Net Loss of Naturally Occurring Affordable Housing (NOAH) policy.
   Where NOAH exists in older multifamily developments slated for redevelopment, policymakers should seek to ensure that replacement projects will include affordable units at least equivalent in number, size, and rental cost to those currently available.
   The county should pursue anti-displacement initiatives in vulnerable communities;<sup>45</sup>
- Adopt policies to promote more home ownership opportunities in new developments;
- Identify projects on county-owned or faith-based properties that might designate a specific number of units for the county workforce (i.e., teachers, police, first responders, and public servants) housing program lottery;<sup>46</sup> and
- other innovative affordable housing strategies.

#### WMCA Comments on ZTA 25-03/Expedited Bill 2-25

WMCA supports the conversion of underutilized office and commercial space into affordable housing and included that as one of the recommendations in our 9/24/2024 AHSI comments. However, we believe that Expedited Bill 2-25 represents a developer give-away that will result in the loss of millions of dollars of needed tax revenue.

WMCA joins the strong opposition to the provisions of Expedited Bill 2-25, which would require that at least 15% of the units in the converted property be affordable to households earning 60% or less of the area median income in exchange for a 100% tax

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<sup>&</sup>lt;sup>42</sup> Govoni L. (2025, February 27). "Montgomery County's Development Pipeline." *The Third Place Blog*. Available at: <a href="https://montgomeryplanning.org/blog-design/2025/02/montgomery-countys-development-pipeline/">https://montgomeryplanning.org/blog-design/2025/02/montgomery-countys-development-pipeline/</a>

<sup>&</sup>lt;sup>43</sup> Blakeley, K. "Atlanta Gets Creative With Affordable Housing in a Bid To Meet Goal of Creating 20,000 Homes." *Realtor.com News & Insights*, 10 February 2025, <a href="https://www.realtor.com/news/trends/atlanta-georgia-affordable-housing-city-land/">https://www.realtor.com/news/trends/atlanta-georgia-affordable-housing-city-land/</a>

<sup>44</sup> MCCF Housing Resolution at p. 17.

<sup>&</sup>lt;sup>45</sup> Id. at pp. 17-18.

<sup>&</sup>lt;sup>46</sup> Id. at p. 18.

abatement for 25 years.<sup>47</sup> Council Vice President (CVP) Will Jawando has called these provisions "a corporate giveaway of the highest magnitude."<sup>48</sup> In his critique of the bill, County Executive Marc Elrich states: "Most important of all is that the taxes that the [developers] don't pay will increase the burden on homeowners. Someone has to pay for schools and infrastructure so what developers don't contribute is going to wind up back on your back."<sup>49</sup>

Similarly, EPIC of MoCo's latest newsletter is titled, "Nothing Says Developer Give Away, Like ZTA 25-03." In its analysis, EPIC of MoCo states that ZTA 25-03 (and its accompanying Expedited Bill 2-25) will result in the following negative consequences, among others:

- "Higher property taxes to compensate for lost developer contributions.
- More crowded classrooms without additional funding.
- Strained public services—like longer emergency response times and more traffic congestion.
- Accelerate[d] gentrification, particularly in historically Black, Brown, and immigrant neighborhoods."51

With regard to reduced parking requirements, EPIC of MoCo expresses its concern that without sufficient parking:

- "Residents will compete for limited street parking.
- Nearby neighborhoods may become de facto parking lots.
- Traffic congestion will worsen, particularly during peak hours."52

In its *Racial Equity and Social Justice (RESJ) Impact Statement*,<sup>53</sup> the County's Office of Legislative Oversight (OLO) echoes the concerns of CVP Jawando, County Executive Elrich, and EPIC of MoCo, concluding that the bill provides an insufficient number of affordable units for the size of the proposed tax abatement. Specifically, OLO

https://apps.montgomerycountymd.gov/ccllims/DownloadFilePage?FileName=2855 1 25993 Bill 2-2025 Introduction 20250204.pdf

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<sup>&</sup>lt;sup>47</sup> Montgomery County Council. (2025, February 4). *Introduction Staff Report for Expedited Bill 2-25*, p. 1-2. Available at:

<sup>&</sup>lt;sup>48</sup> Montgomery County Civic Federation (MCCF). (2025, March 4). *MCCF Meeting with Council Vice President (CVP) Will Jawando* (hereinafter "MCCF Meeting"), Comments of CVP Jawando.

<sup>49</sup> Elrich, M. (2025, March 7). *County Executive Marc Elrich Weekly Update Message 03.07.2025* [Video]. 7:15 – 7:29 minutes. YouTube. <a href="https://montgomerycomd.blogspot.com/2025/03/message-from-county-executive-marc.html">https://montgomerycomd.blogspot.com/2025/03/message-from-county-executive-marc.html</a>

 <sup>&</sup>lt;sup>50</sup> EPIC of MoCo. (2025). Nothing Says Developer Give Away, Like ZTA 25-03. EPIC of MoCo Newsletter. Available at: <a href="https://epicofmoco.salsalabs.org/zta25-03officeconversion">https://epicofmoco.salsalabs.org/zta25-03officeconversion</a>
 <sup>51</sup> Id.

<sup>&</sup>lt;sup>52</sup> ld.

<sup>&</sup>lt;sup>53</sup> Montgomery County Office of Legislative Oversight. (2025, February 26). *Racial Equity and Social Justice (RESJ) Impact Statement: EXPEDITED BILL 2-25: TAXATION – PAYMENTS IN LIEU OF TAXES – AFFORDABLE HOUSING – AMENDMENTS* (hereinafter "RESJ Impact Statement"). Available at: <a href="https://www.montgomerycountymd.gov/OLO/Resources/Files/resjis/2025/Bill2-25E.pdf">https://www.montgomerycountymd.gov/OLO/Resources/Files/resjis/2025/Bill2-25E.pdf</a>.

states that the bill "will primarily benefit landlords and residents who can afford marketrate housing rather than residents in need of affordable housing [and]. . . could widen housing disparities by race and ethnicity. Further, the forgone property tax revenue from tax abatements that primarily subsidize the development of market rate units could undermine the County's ability to provide future public goods and services. This could particularly harm BIPOC community members."54

To address these concerns, CVP Jawando suggests that tax abatements to incentivize commercial-to-residential conversions be negotiated on a project-by-project basis.<sup>55</sup> OLO recommends that the Council examine incentive programs in other communities or "amendments. . . that would provide a higher percentage of affordable housing units." 56 Another option recommended by a member of the Montgomery County Communities Coalition would be for the County to introduce a PILOT through reverse auction – in which a tax abatement is offered annually to the developer who can offer the largest number of affordable units at the lowest tax abatement. WMCA agrees that the Council should not enact Expedited Bill 2-25 as currently written but instead determine whether there are more cost-effective alternatives to tax abatements and what would strike the right balance between tax breaks and affordable housing units.

### WMCA Comments on Budget Items: The Homeowner **Assistance Program and the Workforce Housing Opportunity Fund**

While WMCA supports the Homeowner Assistance Program and the Council's consideration of the establishment of a new Workforce Housing Opportunity Fund to increase the supply of affordable housing,<sup>57</sup> we oppose the commitment of \$8 million in new funding to these programs at this time due to the negative impacts of the State budget deficit and the Trump Administration's policies on Montgomery County residents and the real estate and job markets. Instead of committing millions of dollars in new funding, the Council should instead focus on shoring up the social safety net to support residents with emergency rental and food assistance, health care, and other critical needs.

#### Conclusion

The County Council should not bypass the Master and Sector Planning processes and risk harming the environment, overwhelming the County's infrastructure, overcrowding schools, and exacerbating traffic congestion by passing ZTA 25-02. In addition, the

<sup>&</sup>lt;sup>54</sup> Id. at p. 3.

<sup>&</sup>lt;sup>55</sup> MCCF Meeting, Comments of CVP Jawando.

<sup>&</sup>lt;sup>56</sup> RESJ Impact Statement at p. 4.

<sup>&</sup>lt;sup>57</sup> Montgomery County Planning Board. (2025, March 6). MCPB Item No. 5. MORE HOUSING N.O.W. (NEW OPTIONS FOR WORKERS PACKAGE) (hereinafter "MORE HOUSING N.O.W. Report), p. 4. Available at: https://montgomeryplanningboard.org/wp-content/uploads/2025/02/SR-ZTA-25-02 03-SRA-25-01-Bill-2-25-NOW.pdf

Council should not pass Expedited Bill 2-25 and forgo millions of dollars of needed tax revenue by granting a 100% tax abatement for 25 years for the conversion of vacant office and commercial buildings into residential use. Finally, the Council should not commit \$8 million in new funding to the Homeowner Assistance Program and a newly created Workforce Housing Opportunity Fund at this time. Instead, the Council should consider other effective ways to address the need for workforce and affordable housing and focus on shoring up the social safety net to support residents in dire need of assistance.

Thank you for your consideration of WMCA's concerns and recommendations. If you have any questions or would like to follow-up with us about our comments, please contact me at

Sincerely,

Karin Bolte

Karin Bolte, Chair, Development Committee Wildwood Manor Citizens Association Bethesda, MD 20814-2206

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