

Greater Colesville Citizens Association

PO Box 4087

Colesville, MD 20914

March 11, 2025

Montgomery County Council
Attn: Kate Stewart, President
100 Maryland Ave
Rockville, MD 20850

Re: More Housing NOW

Dear Council President Stewart:

The Greater Colesville Citizens Association (GCCA) is providing comments on the four proposed legislative actions associated with the More Housing NOW proposal.

GCCA **supports ZTA 25-03** to allow commercial to residential conversion in all zones and to provide for expedited approval where the commercial property has been at least 50% vacant for a long period of time. While not addressed in the proposed legislation, transportation impact taxes should not be required since they already met that requirement when they were first built. In a like manner, these developments should not be subject to LATR tests and requirements.

GCCA Supports Bill 2-25 to establish a payment in lieu of taxes for commercial to residential conversions. **However**, the proposed 25-year tax waiver period is far too long. Rather, we support a 10-year waiver period.

GCCA supports the **SRA** to create an expedited administrative approval process for some commercial to residential conversions. We suggest the administrative process only be allowed for conversions where the building shell is maintained or where the new building is not adjacent to an existing single-family house. Where a new building is adjacent to a single-family house, the site plan review process should be used to inform the community and obtain their feedback.

GCCA **supports modifications** to ZTA 25-02 and the Workforce Housing Program as follows:

- The justification for this program is that people can't afford single family detached houses (thus that is the objective) but then the proposal is to build multifamily buildings, not single family detached units. There are many houses throughout the county that sell for much less than the \$1M single family detached county average. (See the attached page copied from the report to the ECON Committee on March 10, 2025.). We think housing from

the very wealthy areas should be excluded. For example, typical detached prices in east county are around \$600K. Our understanding is that Gaithersburg and other areas of the county are similar to east county. Also why not include attached housing when determining median housing prices, which for 3Q2024 was \$476,660 and for condo it was \$382,677. The average for detached and attached housing together is \$585K (which includes the wealthy areas.).

- Based upon the previous point. GCCA feels that a \$148K annual salary for a couple is much too high to be covered by the Work Force Housing program and to thus to be eligible to receive government assistance. We feel the upper limit should be \$90K. County funds should not be used to help people buy houses in the wealthiest communities like Potomac and Bethesda.
- GCCA agrees with the ZTA that it apply only to R-200, R-90 and R-60 zoned properties as an optional method of development. We agree that duplexes, triplexes, and small apartment buildings be allowed only along Boulevards and Downtown Streets that have at least a 100-foot master planned right-of-way and at least three built travel lanes. However, **we oppose** including the Controlled Major Highways since this category of roads does not have buildings facing them. Also, some segments of the roads identified with the ZTA are actually one-lane or two-lane service roads. The ZTA also needs to clearly **exclude development fronting service roads**.
- GCCA agrees with the ZTA that site plan approval be required to give the public an opportunity to comment on conversions from detached properties to duplexes, triplexes, townhouses or apartment buildings. This will allow unique situations to be identified and addressed.
- GCCA agrees with the ZTA that the resulting building must facing a street that satisfies the above criteria. However, to our knowledge, the ZTA and existing ordinance does not preclude multiple lots being assembled. Such **assembly should be restricted** to lots that front Boulevards and Downtown Streets before conversion, not after conversion. If this restriction is not specified, then assembly could result in the assembled complex extending into a single-family neighborhood.
- The proposed development standards increase the allowed building height and reduce the required minimum rear set-back. GCCA **opposes** increasing the allowed height or reducing the minimum rear setback since such changes would impact adjacent neighbors.
- Space needs to be provided **on site to park at least two vehicles** since on-street parking is generally not allowed on boulevards and possibly downtown streets. This requirement is needed to preclude residents of the multiunit buildings from parking in adjacent single-family neighborhoods. It should be realized that public transit is poor in some areas covered by this ZTA.

- While not addressed in the proposed legislation, **impact taxes should not be required** since they already met that requirement when they were first built. In a like manner, these developments should **not be subject to LATR tests** and requirements.

Thanks for considering our recommendations.

Sincerely,

Daniel L. Wilhelm, GCCA President

Housing Indicators

Home Sales Update

	Q3 2023	Q3 2024	CHANGE SINCE Q3 2023
Median Sold Price	\$555,000	\$585,000	5.4%
Closed Home Sales	757	682	-9.9%
Active Listings	903	1,200	32.9%
Average Sold Price to Listing Price Ratio	100.7%	100.1%	-0.6%

GCAAR Monthly Market Report.

Note: Data are for all housing sale types, not inflation adjusted.

Active Listings: This indicator shows the number of homes on the market for sale in the month of September 2024, with the change from September 2023. September 2024 showed more active listings (up 32.9%) than September 2023.

Average Sales Price to List Price Ratio: This indicator shows the ratio of the sold price to the listing price. A ratio of 100% means that the price of the home sold for was the same as the listing price. This average sold price to listing price ratio decreased slightly from last September to 100.1%.

Housing Sales Price by Type of Housing

AVERAGE SOLD PRICE	Q3 2023	Q3 2024	CHANGE SINCE Q3 2023
Single-Family Attached	\$448,407	\$476,660	6.30%
Single-Family Detached	\$978,566	\$1,011,219	3.34%
Condo/Co-op	\$372,633	\$382,677	2.70%

BrightMLS

Multi-Family Update

		Q3 2023	Q3 2024	CHANGE SINCE Q3 2023
Multi-Family Rentals	Effective Gross Rent per Unit	\$2,089	\$2,133	2.1%
	Vacancy	5.0%	6.2%	1.2%

CoStar reports pulled by MCEDC.

Multi-family rent rose by 2.1% YOY, with the vacancy rate at 6.2%, 1.2% above Q3 2023.