

Testimony of Cheryl Gannon

On behalf of Montgomery County Civic Federation

More Housing NOW

ZTA 25-02, ZTA 25-03, Bill 2-25

March 11, 2025

Good afternoon, my name is Cheryl Gannon, and I am the President of the Montgomery County Civic Federation. The Civic Federation is a 100-year-old umbrella organization of neighborhood civics across the county, and our reach now is over 30,000 households. We have a strong commitment to a transparent and inclusive planning process that includes resident voice in the future of their own communities.

We are pleased to see that the focus of efforts has been narrowed from the sweeping nature of the AHSI and pleased to see an emphasis on workforce housing, affordable housing, and conversion of vacant office buildings—all proposals that the Civic Federation has endorsed in recent years. We share concerns about affordability and equity, and we adopted a resolution a year ago with suggested strategies to improving housing availability and affordability targeted to those in most in need.

It is important to note here that this proposal comes at a time when the county is facing massive job losses and the impact on housing is not yet known. Our members do have an overriding concern about the rush to move this proposal before the impacts are seen on the housing market.

While there are positive aspects of this proposal, I would like to highlight several areas of questions or concerns.

First, the role of master planning. We cannot determine if master planning is being phased out and if so, we would oppose that. Making significant changes to a neighborhood works best through master planning, where specific features or problems in an area can be considered, such as narrow roads, persistent and serious storm water management, parking, traffic, and ancillary uses. Please clarify the role of master planning in the future and whether these corridors will undergo additional density proposals beyond the NOW proposal under Corridor master plans.

Lot consolidation or assemblage: The bill sponsors have stated that the targeted lots will not extend into neighborhoods, and amendments clarifying this is necessary. There are varying interpretations of the bill, and Planning staff has said that nothing in the bill would

preclude consolidation of lots under the existing code. Clarification of horizontal assemblage is needed as to whether rezoning several parcels to one larger parcel allows for removing the setbacks on designated parcels and constructing larger buildings. If the intention is to build missing middle type housing on individual parcels, then specific language must be provided to the Council for their stated intentions. A similar need for clarity exists for corner lots that have a front line on a side street but may be able to change the front line and address of the parcel under current rules.

Tax Holiday for Office Conversions: We also know that conversions can be costly and that some incentive may be warranted, but we have questions about the fiscal impact of a 25-year tax holiday and whether it is warranted across the board if the affordable housing target is only 15%. I think it would also be helpful to have a fiscal analysis and weigh the costs against expected output of new units, and with serious consideration to the issues raised in the county RESJ analysis. We ask the Council to significantly increase the 15% target and to act on the tax holiday on a case-by-case basis, weighing public benefit against the expenditure.

It appears the tax provision would apply when a commercial building is demolished. If that is correct, we oppose that. The conversion challenges of a building that was built for a non-residential use may be significant but simply demolishing a building and putting up something new does not include those same challenges. This may be why the county fiscal impact statement estimates a stunning 2.6 billion cost and predicts that most multi-family construction would take advantage of this tax holiday.

The county's RESJ analysis of the tax holiday contains important issues regarding the winners and losers and impact on vulnerable communities of color that must be factored in the decision making in the ultimate package.

School capacity: The impact on schools must be evaluated accurately and funding for the improvements must move forward at the same time as developments. School crowding has been an issue for so long that existing formula for calculating impact on schools must be improved.

Prioritize high yield housing possibilities such as White Flint and Pike and Rose. Our members are rightfully asking why it's necessary to make these incursions into established neighborhoods while sites with large capacity languish. In downtown Silver Spring alone, there are approvals or opportunity sites to build the equivalent of three Pike and Rose developments. There are about 35,000 units in the pipeline right now, and while many of those approvals may be old, some have asked for amendments in recent years indicating on-going interest. We appreciate the fact that Planning has begun the process of

investigating those approvals and why they haven't moved forward. We believe that the areas with greatest potential should be the current focus.

Stormwater management: We were disappointed to learn that Planning staff withdrew their climate recommendation to bar waivers of storm water management. We concurred with their recommendation including a need to look at stronger rules for larger multi-family properties. As the county grows, storm water management has been a steadily worsening problem. Water can always be managed—it is an engineering problem, but it has a monetary cost. The issue of who pays for the management of storm water is the issue. The current practice is to waive the requirement on small construction and then when water causes damage or destruction of nearby property, the county tells residents that it is a civil matter between property owners. This is not acceptable. The county has a responsibility to effectuate a permitting process that protects the environment, community health and safety and integrity of nearby properties.

We request clarity about entrances and exits to corridor developments, and how traffic cut-through in a neighborhood can be mitigated. On blocks where the corridor parcel backs up to another block of homes, without a street between them, will there be alleys or service roads constructed between? It might help to have a pattern book as the state will be resistant to curb cuts on state roads like Georgia Avenue. Residents on interior blocks are rightfully concerned that their backyard may look out on a parking lot or alley and information about how this might be mitigated.

Service roads: We also ask that the map of eligible properties remove homes on service roads as they do not have 3 traffic lanes or 100 feet. There are also schools and libraries on the map and this has caused concern.

Parking: The staff suggestion to reduce parking to one unit per household is problematic, particularly if ancillary commercial uses like day care and dental offices will be allowed. It is likely that parking will spill over to neighboring streets and not every neighborhood is built for that. Recent experience at the Ava points to this problem

Site plan review: All of this points to the importance of site plan review of every parcel. We ask that you not drop site plan process for single parcels.

Finally, we urge you to address tools to discourage investors from buying homes for rentals, as the lower inventory of homes for sale increases prices and makes it more difficult for working people to buy homes.

Thank you the opportunity to testify.

