



Committee: Directly to Council
Committee Review: N/A
Staff: Linda McMillan, Sr. Legislative Analyst
Purpose: Final action – vote expected
Keywords: COG, Future of Housing, Urban Institute, Future Housing Needs

AGENDA ITEM #2B
November 5, 2019
Action

SUBJECT

Resolution to Support Metropolitan Washington Council of Governments' (MWCOG) Regional Housing Targets for Montgomery County. Lead Sponsor: Council President Navarro; Co-Sponsors: Councilmembers Riemer, Hucker, Katz, Rice, Alborno, Glass, Friedson, and Jawando.

EXPECTED ATTENDEES

None

COUNCIL DECISION POINTS & COMMITTEE RECOMMENDATION

- Action on resolution introduced at the Council's October 29, 2019 session to support MWCOG housing targets for Montgomery County.
- The Council was briefed on these targets at its October 15, 2019 session.
- The resolution highlights actions the County is already taking to increase production of new housing and increase production and preservation of affordable housing.
- The resolution states the Council's commitment to produce and preserve quality housing for all residents, support the MWCOG targets, support the policy that most new housing will be in Activity Centers or near high-capacity transit, reduce the number of very-low, low, and middle-income households that are housing-cost burdened, act as a catalyst for new cooperation and collaborations between government, non-profit and for-profits housing partners, financial institutions, and the community at-large.
- The Council is committed to working closely with all municipalities to achieve these housing goals.
- The resolution states the support of the Cities of Gaithersburg, Rockville, and Takoma Park to increase housing production and efforts to produce and preserve affordable housing.

DESCRIPTION/ISSUE

Over the last year, MWCOG analyzed and reviewed cooperative employment and housing forecasts. Employment growth is currently outpacing housing. Insufficient housing impacts housing affordability and undercuts economic development that relies on an available workforce. Transportation systems are strained as workers commute long distances.

MWCOG has adopted three regional housing targets: (1) Add at least 320,000 housing units to the region between 2020 and 2030; (2) At least 75% of new housing should be in Activity Centers or near high-capacity transit; and (3) At least 75% of new housing should be affordable to low- and middle-income households. The new housing target is 75,000 more units than the current regional forecast and allocates 10,000 of these additional units to Montgomery County (including a portion in the City of Gaithersburg and the City of Rockville.)

SUMMARY OF KEY DISCUSSION POINTS

- At the October 15, 2019 discussion, the Council received presentations from Planning Director Wright and the Urban Institute’s Senior Policy Associate Maya Brennan and Senior Research Associate Hendey. The Council also received comments from Mr. Buchanan of Buchanan Partners, and Department of Housing and Community Affairs’ Director Nigam. The Council was joined by representatives from the cities of Gaithersburg, Rockville, and Takoma Park.
- In addition to information on the targets, presentation material from Planning Director Wright included information on building permits since 2007, a heat map showing where new housing has been built since 2006, and the Planning Board’s continued analysis through the development of the General Plan. The Planning Department will continue to review impediments to housing production and strategies to increase the production of new housing units to meet the new housing targets.
- Presentation material from the Urban Institute included recommended actions for the region (noting that jurisdictions may be doing some or all already), data on the need for additional housing in the two lowest cost bands (housing cost less than \$1,299 month), the need to preserve existing affordable housing (placing a focus on housing with expiring Federal assistance), and a menu of policy tools to preserve and produce housing and protect households from discrimination and displacement.

This report contains:

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Links to background material:

Link to October 29, 2019 staff report for introduction of the resolution that includes presentation slides from Planning Director Wright and the Urban Institute from the October 15, 2019 briefing.

https://www.montgomerycountymd.gov/council/Resources/Files/agenda/col/2019/20191029/20191029_2A.pdf

Link to MWCOG report “Future of Housing in Greater Washington”

<https://www.mwcog.org/documents/2019/09/10/the-future-of-housing-in-greater-washington/>

Link to Urban Institute report “Meeting the Washington Region’s Future Housing Needs”:

https://www.urban.org/research/publication/meeting-washington-regions-future-housing-needs/view/full_report

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Resolution No.: _____
Introduced: October 29, 2019
Adopted: _____

**COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND**

Lead Sponsor: Council President Navarro; Co-Sponsors: Councilmembers Riemer, Hucker, Katz, Rice, Albornoz, Glass, Friedson, and Jawando

SUBJECT: Resolution to Support Metropolitan Washington Council of Governments' Regional Housing Targets for Montgomery County

Background

1. On September 4, 2019 the Metropolitan Washington Council of Government (MWCOG) issued the report, "The Future of Housing in Greater Washington, A Regional Initiative to Create Housing Opportunities, Improve Transportation, and Support Economic Growth."
2. The report is the culmination of a year long review of employment and housing cooperative forecasts. Employment growth in the region currently outpaces housing growth. Insufficient housing growth impacts affordability, undercuts economic development efforts that rely on the availability of the workforce, and strains transportation systems as people must commute long distances.
3. On September 11, 2019, MWCOG's Board of Directors adopted Resolution R27-2019 that supports three regional housing targets: (1) Amount: At least 320,000 housing units should be added in the region between 2020 and 2030. This is an additional 75,000 units beyond the units already forecast for this period. (2) Accessibility: At least 75% of all new housing should be in Activity Centers or near high-capacity transit. (3) Affordability: At least 75% of new housing should be affordable to low- and middle-income households.
4. MWCOG estimated jurisdiction contributions to achieve these housing goals and calls on Montgomery County to increase its share of housing by 10,000 units, including 1,000 additional units each in the City of Gaithersburg and the City of Rockville.

5. Montgomery County has already taken many steps to increase the production of all housing and preserve affordable housing. Some of these efforts include: updating the Zoning Ordinance and adopting master plans that increase residential density near transit, incentivize increased affordable housing and include creative ways to preserve affordable housing; revising the Moderately Priced Dwelling Unit law and requiring more MPDUs in high income areas of the County; expanding opportunities for accessory dwelling units; increasing funding for the Housing Initiative Fund; approving higher annual caps for payment in lieu of taxes agreements; using County-owned land for affordable housing developments; and preserving affordable housing using the County's right-of-first refusal law.
6. The Cities of Gaithersburg, Rockville, and Takoma Park have each reviewed the MWCOG recommendations and support efforts to increase housing production to meet future need and to work to preserve and produce affordable housing. The Takoma Park City Council adopted its "2019-2030 Housing and Economic Development Strategic Plan" on October 16, 2019 to advance these efforts.

Action

The County Council for Montgomery County, Maryland approves the following action:

The County Council is committed to pursuing ways to produce and preserve quality housing for all its residents. A sufficient stock of quality housing at all levels of affordability is critical to quality of life, health of residents, and the economic development that will bring increased employment opportunities.

The Council supports the goals of the Metropolitan Washington Council of Government's (MWCOG) resolution which calls for an additional 320,000 housing units in the region by 2030. This is an increase of 75,000 housing units beyond the current forecast and calls for Montgomery County to set a goal of producing 10,000 housing units above the existing forecast, including housing that will be produced in the City of Gaithersburg and City of Rockville. The Council is committed to working closely with all County municipalities to achieve this new goal.

The Council supports MWCOG's policy goal that 75% of new housing be in Activity Centers or near high-capacity transit.

The Council will undertake efforts to analyze and find solutions for barriers to increasing housing production, particularly for housing affordable to low- and middle- income

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households. The Council will monitor data on the number and percent of households that are housing-cost burdened with a focus on reducing the number of very-low, low- and middle-income household that are spending more than 30% of their income on housing.

The Council will work to act as a catalyst for new cooperation and collaborations between government, the non-profit and for-profit housing development and construction community, financial partners including banking and foundations, and the community at-large to achieve these critical housing goals.

This is a correct copy of Council action.

Mary Anne Paradise
Acting Clerk of the Council