



OFFICE OF THE COUNTY EXECUTIVE

Marc Elrich
County Executive

MEMORANDUM

June 20, 2025

TO: Kate Stewart, President
Montgomery County Council

FROM: Marc Elrich, County Executive 

SUBJECT: ZTA 25-02, Workforce Housing- Development Standards

I write regarding ZTA 25-02, Workforce Housing- Development Standards. I appreciate the goal of this legislation as part of the “More Housing N.O.W.” package, which was described as “...help[ing] build more homes that are affordable to teachers, firefighters, police officers, biotech and healthcare workers, and everyone in, or striving to be in, the middle class.”¹ The sponsors of the package explain that homes are too expensive in Montgomery County, and one of the proposed solutions is ZTA 25-02, which designates numerous corridors (more than 25) around the county where single-family residential detached zones (R-40, R-60, R-90 and R-200) would be changed to allow multi-family attached units--duplexes, triplexes, townhouses, and apartment buildings through an optional method of development.² **This is a major change in what is allowed in these areas.**

This ZTA seems to be based on an underlying assumption that there has been no planning for the future, which is incorrect. It ignores the planning that has been done over many years that have resulted in a zoning capacity for more than 85,000 housing units³ in addition to 30,000+ units that are already in the development pipeline.

The master planning process is the path to successful planning that includes residents.

As explained by Montgomery Planning:

“Each community within Montgomery County has a master plan that creates a comprehensive view of land use trends and future development. Plans recommend land

¹ PHP Committee March 31, 2025, pg. (35). [MetaViewer.php](#)

² In all other areas of the County, the R-40, R-60, R-90, and R-200 zones would remain unchanged, and single-family.

³ This includes municipalities. [Residential Development Capacity 2020](#)

uses, zoning, transportation, schools, parks, libraries, and fire and police stations, as well as address housing, historic preservation, pedestrian and trail systems, and environmental issues. Planners create new master plans every 15 or 20 years.” (Source: [Master Plan List - Comprehensive Planning Resources](#))

These plans guide development and foster stability and predictability in the County's housing market. Residents, businesses, and property owners have input into the development of the plans, and individuals know what the plans are for their communities and their homes.

The master plans provide the zoning for additional units; it is never envisioned that all the units will be built in a short time. More than 14,000 units have been built in the last five years alone (and that time period includes a worldwide pandemic). Currently, the existing development pipeline and the approved zoning in master plans could accommodate more than 100,000 new units.⁴ In other words, the zoning is not the problem.

Sometimes master plan recommendations take a while to be realized, as shown by Geico Insurance Company's recent decision to move forward with redeveloping its headquarters in Friendship Heights, using plans that were approved by the Planning Board in the 1990s, following the County Council's approval of the Friendship Heights Sector Plan.

The master plan process has also resulted in unused zoned capacity throughout the County, as recorded by Planning staff. **Review of the existing, unused zoned capacity should happen first to then determine whether and what type of changes are needed. This review should be done master plan by master plan, beginning with the master plans that have the most unused capacity.**

The first question in the staff packet of the March 31st PHP committee session asked: **How much new housing supply is needed and based on what data?**⁵ This question assumes that more zoning is needed to create additional supply and ignores that existing master plans have sufficient zoning - as the Metropolitan Washington Council of Governments has explained.⁶ The question as worded also assumes that increased supply will help with affordability, but there is no convincing evidence that this is true. **Affordability**, both for-sale and rental, is the major issue in housing. ZTA 25-02 does little to address affordability and/or home ownership.

⁴ Development pipeline, [Jan2025Pipeline_Summary.pdf](#), pgs 3 and 4 have summaries of the number of approved but unbuilt residential dwelling units. Approved means the projects have gone all the way through the Planning Board process and the property owner can apply for the building permit to begin construction.

Residential development capacity, [Residential Development Capacity 2020](#), shows the sum of the units approved in all the master plans. These units are in addition to the ones in the development pipeline.

⁵ [MetaViewer.php](#), pg. 4

⁶ “During the February 2019 COG Board of Directors meeting, the COG Planning Directors Technical Advisory Committee and Housing Directors Committee confirmed on behalf of the region’s housing and planning directors that existing local comprehensive plans could indeed accommodate this additional necessary capacity.” THE FUTURE OF HOUSING IN GREATER WASHINGTON A Regional Initiative to Create Housing Opportunities, Improve Transportation, and Support Economic Growth September 2019, pg. 12

While it is certainly true that housing costs are high in Montgomery County, there is no evidence to suggest that ZTA 25-02 would help solve that problem. In fact, it risks making it worse in some areas where property owners would be incentivized to demolish existing affordable single-family houses. Planning's market study shows that the replacement homes are more expensive than the existing homes.⁷

Zoning changes are not the solution we need at this time to address our housing affordability issues.

Together, we have been taking steps to address housing affordability – both for rental and for-sale. We have put record funding toward preservation and production of affordable housing. Additionally, the rent stabilization passed by the Council, which I supported, institutes some predictability for many tenants. We have also increased down payment assistance for qualifying first-time home buyers.⁸ We have also partnered with organizations that don't need to produce a high yield for investors so that the cost of affordable housing projects is lower. In combination, these are the types of solutions that are needed and can make a difference in housing affordability.

ZTA 25-02 violates the master plan process, including the new General Plan, Thrive Montgomery 2050. ZTA 25-02 has more than 25 new corridors while Thrive has fewer than 10.⁹ ZTA 25-02 offers no land use plan for its new corridors. While Thrive provide little detail regarding the Corridors (they are actually not named in Thrive), at least Thrive acknowledges that a master plan must include a discussion of Complete Communities, Transportation Networks, Environmental Health and Resilience, and Racial Equity and Social Justice.¹⁰ The new ZTA 25-02 corridors lack a frame of analysis, other than the complicated development standards. Further, it draws development away from our activity centers, which have been identified through the careful work of the master plan process. This is the opposite of smart growth.

Past master plan processes included months, and sometimes years, of conversations with the community about how development would occur; this ZTA would remove community

⁷ Missing Middle Market Study, Montgomery Planning, [PowerPoint Presentation](#), slide 34

⁸ **Downpayment assistance:** The County currently has three programs to assist with downpayment assistance for first-time home buyers: the Montgomery Homeownership Program, the Montgomery Employee Down Payment Assistance Loan (MEDPAL), and the Housing Opportunities Commission's Single Family Mortgage Purchase Program (MPP). The transition from being a tenant to being a homeowner works best when a household can put together a downpayment that makes their monthly mortgage payments and other housing costs less than 30% of their income. As has been noted above, homeownership is one of the most important paths to wealth building, and lower-income families have greater difficulty accumulating enough cash for downpayment assistance. In Montgomery County, the average income for black and Latino households is significantly lower than for white and Asian households.

⁹ Thrive includes very little discussion of the Corridors. In fact, there is no list of which roads they are. Thrive only includes a map with lines and no road names.

¹⁰ Please note the word "acknowledge." Soon before the previous Council passed Thrive 2050, they commissioned an external racial equity and social justice review, which made some important recommendations that have not been used since Thrive was passed; those recommendations if implemented through the master planning process could be helpful in transparency and engagement. The review is available here: [Thrive Final Report.pdf](#)

involvement and wipe out the master planning process; it is disrespectful of residents and sends the message that they can't count on the master plan process.

At the same time that the Council is considering ZTA 25-02, the Planning Board is reviewing the University Boulevard Corridor Plan. The two are colliding, and neither is following the master plan process. ZTA 25-02 and the University Boulevard Corridor Plan have made recommendations for the same sections of University Boulevard, and the recommendations are not the same. No wonder that residents are confused and angered. What is the interplay between ZTA 25-02 and the University Boulevard Corridor Plan¹¹? Which takes precedence? How can residents understand what these changes mean for their neighborhood and provide meaningful input?

I would urge you to return to planning via the master plan process rather than changing residential zones in many parts of the county outside of that process. Without the master plan process, the residents' comments, concerns, and insights into their neighborhoods are missing. Zoning text amendments historically have been used to make minor changes or correct errors in the underlying zoning code, not to change the zoning across a large number of parcels across the county.

While I ask that you not proceed with ZTA 25-02, below I offer more detailed comments about the problems with this ZTA:

The Workforce Housing program needs major changes.

ZTA 25-02 would expand the Workforce Housing (WFH) program that is defined in Section 25B of the county code. The Workforce Housing statute has been seldom used and needs significant revision if it is to be used. Even in its limited use, WFH has had multiple problems, unlike our nationally recognized Moderately Priced Dwelling Unit (MPDU) program.

For-sale WFH units: Since the creation of the WFH program in 2006, only 110 for-sale units have been created—a mix of condos, townhouses, and single-family homes. Of that total, at least 47 units have either been “released” from affordability or will be at the time of sale. Released means that they no longer have to be sold at a price that is WFH affordable; they switch to the market rate, and the affordability component is lost.

For-rent WFH units: There are four buildings with 85 WFH rentals currently in the county. (They are a mix of one- and two-bedroom units.) Because of the rent increase process for rental WFH units, those rents generally do not stay much lower than the general market rate (except in Bethesda, where there are 24 rental WFH units, and downtown Silver Spring, where there are 10 rental WFH units).

¹¹ The University Boulevard Plan is the first of the Thrive corridor plans.

As you can see from the above, neither the for-sale nor rental aspects of WFH are serving their intended purpose. **Before we expand the Workforce Housing program, we need to fix the known problems with it.**

The Department of Housing and Community Affairs (DHCA) is completing a proposal that would expand our MPDU program to include workforce housing income levels (defined as up to 120% of Area Median Income). They are working with outside housing experts to present a proposal that they believe will work. Because DHCA is working with outside groups to develop recommendations, their proposal will not be available before the fall. **I ask that you delay any final considerations of ZTA 25-02 tied to WFH until after reviewing the upcoming changes to the WFH program.**

ZTA 25-02 does not foster Homeownership:¹²

Many of the public comments supporting ZTA 25-02 (and other portions of More Housing Now) have focused on affordability for purchasing homes. Homeownership is one of the most important paths to wealth accumulation, and, historically, people of color and low-income individuals have much lower levels of homeownership. Homeownership generally helps provide stability in housing costs and results in an asset that can be passed on within a family.

ZTA 25-02 does not have any specific language regarding the production of rental or homeownership units, so it is not possible to evaluate how many of each type are likely to be incentivized and produced if these zoning changes are implemented. Additionally, one of the major sources of federal funding for affordable housing production—the Low Income Housing Tax Credit (LIHTC) program—effectively is limited to the preservation and production of *rental* housing.¹³

The staff packet prepared for the March 31, 2025, session of the Planning, Housing and Parks Committee compared Workforce Housing and the MPDU ownership programs; however, there is no requirement that units allowed under ZTA 25-02 be ownership units.¹⁴ Furthermore, if duplexes are the primary ownership units, there are no affordability requirements.

ZTA 25-02 would promote mostly market-rate units.

For building developments with fewer than 20 units, 15% of units would have to be WFH units, whether rental or for-sale units. For building developments with 20 units or greater, both 15%

¹² The FY26 operating budget includes \$2.0 million for homeownership assistance programs, which provide downpayment assistance and counseling services for first-time homebuyers. Additionally, staff is currently reviewing options to improve the homeownership assistance programs so that more County employees are aware of them and more residents' needs are effectively met.

¹³ The federal HOME and Community Development Block Grants (CDBG) programs can be used to support homeownership units but they are much less used.

¹⁴ [MetaViewer.php](#), pp 15-16

WFH and 12.5 to 15% MPDUs would be required, but Council staff deems it unlikely that most structures would be more than 19 units.¹⁵

In the case of duplexes, neither would have to be affordable at any level.¹⁶

In any case, the vast majority of the new units would be market rate, not affordable. Somewhere between 85% to 100% would be market rate.

Public input is needed at every stage of the process, and the process needs to be more deliberative.

Many community members are bewildered by the numerous different housing/zoning proposals that have been circulating in the last year: attainable housing, corridor plans, and More Housing NOW. All of them would effectively replace the master plan process, which allows a community to engage fully with the future plans for their area.

Additionally, the Planning Board has recommended that instead of the optional method process for “very small” developments, they either be exempt or subject to an administrative site plan, either of which would remove at least part of the public process.¹⁷ Generally, using a ZTA to change the zone shifts the public input process to a project-by-project basis, which requires residents to be ever vigilant and engage in many more processes. There is no good reason for this change; there is no urgency to change the zones, and I would urge you to return to the master plan process.

Master Plans are the way to ensure that adequate infrastructure accompanies increased development, including stormwater, water and sewer, tree protection and transportation.

Increased density can supply additional housing, but it also brings challenges that must be addressed. These challenges include water, sewer, stormwater management, tree canopy, parking, increased traffic, increased need for public amenities like parks and increased school enrollment. The adequate public facilities ordinance exists and is implemented via the Growth and Infrastructure Policy (GIP), but the GIP generally addresses only transportation and school issues, and many of the requirements in those categories have either been reduced or eliminated.

On-site mitigation of stormwater should be a priority.

The lack of ability to mitigate increased stormwater must be dealt with before this ZTA is considered. Planning's Climate Assessment Report for ZTA 25-02 said it well:

¹⁵ [MetaViewer.php](#) pg. 16

¹⁶ https://montgomeryplanningboard.org/wp-content/uploads/2025/02/SR-ZTA-25-02_03-SRA-25-01-Bill-2-25-NOW.pdf, pg. 17

¹⁷ Their recommendation: “consider an exemption of very small (single lot) OMWH applications or consider a follow-up ZTA to establish an administrative site plan approval process for smaller developments.” [More Housing N.O.W. \(New Options for Workers\)](#), Montgomery Planning, pg. 15

“Planning Staff recommends code changes, ZTA changes, or other enforceable mechanisms as appropriate to require control of water runoff from small building sites including detached, duplex, and multiplex building types at least consistent with current redevelopment standards, and possibly more stringent standards to support CAP Climate Adaptation Action A-11: Climate Adapted Development Standards (see relationship to the CAP section). **Planning Staff also recommend assessing the potential need for code changes, ZTA changes, or other enforceable mechanisms as appropriate to develop new standards** regarding stormwater management waivers for this type of development **to support the rationale underlying CAP Climate Adaptation Action A-13 Ban Stormwater Management Waivers** (see relationship to the CAP section). Doing so would mitigate stormwater quantity, flooding, and water quality negative impacts that could otherwise result from ZTA 25-02.” [Emphasis added.] (Source: [More Housing N.O.W. \(New Options for Workers Climate Assessment\)](#), Montgomery Planning, pg. 5)

Regarding stormwater management, it is often difficult to mitigate all the stormwater onsite, and so the developer/owner must obtain a waiver. Historically, the Department of Permitting Services has often issued at least partial waivers because they do not want to be the obstacle to housing additions and construction. While the assessment for stormwater standards is made based on water quality, the quality is tied to the quantity of the water – too much water coming off a site overwhelms the storm drains, which then do not adequately filter the water.

While stormwater assessment is separate from flooding concerns, increased impervious surface and decreased areas for water retention on site will contribute to the potential for flooding. This is of greater concern in some areas of the county than others (which is yet another reason to enact changes through the master plan process.) The Department of Environmental Protection (DEP) continues its work with outside consultants as well as staff in the executive branch and at Planning to understand the increased flooding risks in the County. Given all of the existing zoning in approved master plans, these additional zoning changes could accelerate the amount of impervious surface and reduce tree cover. While increased flooding risks are due to a variety of factors, increasing impervious surfaces and reducing tree cover do contribute to the problem.

Water and sewer capacity should be analyzed

For other infrastructure, such as water, the language in the GIP reads:

“In accordance with the Adequate Public Facilities Ordinance, applications must be considered adequately served by water and sewerage if the subdivision is located in an area in which water and sewer service is presently available, is under construction, is designated by the County Council for extension of service within the first two years of a current approved Comprehensive Water Supply and Sewerage Systems Plan (i.e., categories 1-3), or if the applicant either provides a community water and/or sewerage system or meets Department of Permitting Services requirements for septic and/or well systems, as outlined in the Adequate Public Facilities Ordinance. These requirements are determined either by reference to the Water and Sewerage Plan, adopted by the Council, or by obtaining a satisfactory percolation test from the Department of Permitting Services.” (Council Resolution No.: 20-651, pg. 20)

In other words, the GIP does not address whether the WSSC main pipes are small, old, and/or insufficient to support increased development. While WSSC does review development projects, in these types of situations, it is on a project-by-project basis. For the types of changes envisioned by this ZTA – individual changes to single-family lots – it is a piecemeal approach that does not assess the overall water and sewer capacity. Hydraulic Planning Analysis (HPA) may be helpful; in any case, the Council should consult carefully with WSSC about the cumulative impact before moving forward with these possible major changes to what is allowed in these areas.

Tree canopy loss should be prevented

Loss of trees and tree canopy is also not regulated in situations where there is less than 5,000 square feet of disturbance.¹⁸ Consequently, multiple small lots can be redeveloped with larger structures replacing the existing structures and increases in impervious surfaces for parking and other uses. Even when tree canopy is regulated, replacement is not necessarily required: a fee can be paid instead.¹⁹ The climate assessment by Montgomery Planning states that “Minor to moderate decreases in tree canopy would be expected to result from this ZTA.”²⁰ Trees are not simply a “nice-to-have”; they are important in counteracting climate change.

Some have argued that many of these same problems exist with “mansionization”—when a small single-family home is reconstructed to use much more of the lot and is still only a single-family home. Concern about those issues should be addressed directly, perhaps by adopting new reduced development standards for the new homes. This concern should not be used to justify additional imperviousness. (In other words, two wrongs don’t make a right.)

Parking availability and requirements need to be considered as part of transportation review of a master plan even as transit work continues.

ZTA 23-10 eliminated the requirement for parking at properties that are ½ mile or closer to a Metro or Purple Line station and a ¼ mile from a Bus Rapid Transit (BRT) station that exists or is funded for construction in the CIP. **While many aspire to leave cars behind and take a bus, a bike, or walk to get around, it is often not possible or realistic for a variety of reasons, including insufficient availability and frequency of transit, too long distances for biking, or physical challenges for walking or biking.** County priority projects, including safe pedestrian infrastructure and a robust BRT network supported by local bus, are in progress but limited by available funding. Many of these projects will make walking, biking, and transit more feasible, but many corridors remain unfunded.

While we should continue to encourage and fund alternate forms of transportation, our policies should not ignore the reality that most of our residents and business owners currently rely on cars, and, in many parts of the County, are likely to have to do so for the foreseeable future,

¹⁸ The forest conservation requirements and Tree Canopy law only apply to properties where there’s more than 5000 square feet of disturbance. With less than 5000 square feet of disturbance, neither law applies.

¹⁹ [MetaViewer.php](#) pg. 24

²⁰ <https://montgomeryplanningboard.org/wp-content/uploads/2025/02/Attachment-A-Climate-Assessment-for-ZTA-25-02.pdf> pg. 4

especially given the long timeframe to plan, design, fund, and/or construct necessary infrastructure and transit service. Consequently, increased housing brings an increase in the number of cars that must be parked. If they are not parked on-site, then they must be parked on adjacent roads. The County does not have the resources to adequately enforce street parking across the County outside of the parking lot districts (PLDs), leading to scarcity and conflicts. Some neighborhoods may have sufficient on-street parking to accommodate the increase, but others may not, which is another reason why these changes must be done via the master plan process with robust community involvement.

Comments from residents need to be carefully considered and incorporated.

Civic and other organizations and individual residents have raised some important issues and questions in their testimony and letters. I hope you will take as much time as needed to carefully consider and engage with them on all of their well-researched, knowledgeable, and thoughtful comments.

Conclusion:

I appreciate and share the desire to find solutions to affordability for both homeownership and rents in Montgomery County. I believe there are actions that we could take together to improve the situation, including improving the MPDU and WFH programs, increasing homeownership support, and accelerating development of the true BRT system.

Consideration of zoning and land use changes that may make sense for the future of our county should happen within the master planning process. It is in the context of individual master plans where the specifics of a neighborhood community (not just a corridor) are carefully reviewed, where property owners are consulted and listened to, and where residents have meaningful engagement and a right to help determine the future of their communities.

My staff and I look forward to working with you on our shared goals of improving this diverse and beautiful county.

cc: Cecily Thorne, Chief of Staff to the Council President, Montgomery County Council
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