

**September 23, 2004**

**Testimony before the County Council Regarding:**

ZTA 04-11 MPDU's – Lot Coverage and Green Space Standards Multi-Family Zones  
ZTA 04-12 MPDU's – Public Space Requirement CBD & Transit Station Zones  
ZTA 04-13 MPDU's – Sector Plan conformity requirement exceptions – CBD & RMX Zones  
ZTA 04-14 MPDU's – Dwelling unit types R200, R150, R90, R60 & R40 single-family zones  
SRA 04-01 MPDU's – Exceptions Master Plan conformity requirement & tertiary road ROW  
Bill 24-04 – MPDU Amendments by Floreen, Silverman, Subin, Knapp, Leventhal  
Bill 25-04 – MPDU Amendments by Praisner, Perez, Andrews, Leventhal  
Bill 27-03 – MPDU Amendments by Perez, Andrews  
ZTA 03-09 MPDU's – Require MPDU's in Large Lot zones (RE1, RE2, RE2C, & RNC)

**Presented by Nancy Wendt on Behalf of  
The Olney Coalition**

President Silverman and members of the Council, good evening. My name is Nancy Wendt and I represent The Olney Coalition, an umbrella organization comprised of eight citizens associations and more than 2,000 households.

**SUMMARY**

The Olney Coalition strongly supports the Council's efforts to address affordable housing issues in Montgomery County. We applaud the dedicated effort of Aron Trombka and Council Staff for their thorough review of the MPDU program, one component of providing adequate affordable housing.

We have reviewed the proposed amendments that are the subject of this hearing and found some useful elements. However, with the exception of the proposals to require MPDUs in large lot zones and lower the threshold MPDU project size from 35 to 20 units, this collection of legislation would do little to increase the number of MPDU units developers are required to provide. Instead, it would eliminate developers' perceived obstacles to MPDU construction and enhance the incentives offered to developers to provide the units they are required to provide by law.

The cost of these incentives would be born solely by the citizens who live in the affordable housing units and the neighborhoods adjacent to them. They would lose green space, open space, and the ability to preserve the character of their community. This legislation would increase flexibility for developers in a way that invites significant erosion of the general plan, master plans, sector plans and zoning standards whenever developers want even more relief from their legal obligations. While more flexibility may be needed to meet affordable housing goals, there are other less damaging ways to provide it.

The MPDU program is only one initiative of the many required to close the housing gap. For example, the Council needs to call for an update of the inventory of all types of affordable housing that was completed by Park and Planning in 1999 and the County needs to move beyond task force recommendations to implementation on Workforce Housing.

**PROPOSED LEGISLATION**

**Bill 25-04** proposes implementation of key recommendations from The MPDU Program - A Thirty Year Review report. We support these recommendations.

1. Increasing the sale and rent control period for MPDUs to 99 years.
2. Requiring eligibility standards for buyers and tenants of MPDUs be revised annually.
3. Lowering the minimum size of subdivisions where MPDUs must be built from 35 to 20 units or larger.
4. Reducing the minimum % of MPDUs required in high-rise buildings from 12.5% to 10%.

5. Requiring the separation and limitation of maintenance and amenity fees.
6. Requiring that MPDUs not built on site be built within ½ mile of market rate subdivisions.
7. Requiring MPDUs in single-family developments to have the same number of bedrooms as the market rate units, and prohibiting any waiver of these standards.

**Bill 27-03** We support the first proposal in this bill.

1. To repeal the authority of DHCA to accept alternative offers (buyouts)
2. The second proposal (to extend the control period to 30 years) is superceded by Bill 25-04 (to extend the control period to 99 years)

**ZTA 03-09** Extending MPDU requirements to large lot zones is in conflict with the General Plan guidance to place affordable housing “so that it has reasonable access to employment centers, shopping, public transportation and recreation facilities.” The increased densities that come with MPDU’s conflict with the purpose of large lots to preserve rural and semi-rural areas by limiting development to the density the land can support on septic.

However, if this Council insists on applying the MPDU law in the large lot zones, the MPDUs in all large lot zones should be limited to duplexes (*i.e.*, one-family semi-detached dwelling units) and the property density set in the Master Plan should not be altered for any reason.

**ZTA 04-11, ZTA 04-12, ZTA 04-13, ZTA 04-14, SRA 04-01 and Bill 24-04.** We oppose these six proposals for three reasons: they short-change the recommendations in Aron Trombka’s report; they do not require the creation of MPDUs beyond the number currently required by law; and they invite interpretations of the zoning ordinance that would undermine the general plan, master plans, sector plans and current zoning standards. This package of legislation would do unnecessary harm to both the community based planning process and the character of communities.

### **A COMPREHENSIVE SOLUTION**

Previous Councils and Planning Boards have earned Montgomery County a national reputation for innovation and excellence in land use planning. This acclaim is due to the general plan’s broad strategies for the County within which master plans and sector plans are developed at the local level based on *the local community’s vision* of how land should be used and how growth should occur. This proven process should be strengthened not swept aside.

The Council needs to assure citizens of two things:

1. Whatever legislation is ultimately passed to adjust MPDU program rules to match the economics of urban development, it will not open the door to interpretations that erode the community based planning process or the Planning Board’s authority regarding land use decision.
2. MPDU legislative changes will be part of a comprehensive affordable housing strategy that begins by eliminating the underlying causes of the current shortage.

What Montgomery County really needs is a comprehensive affordable housing strategy that addresses both the supply and the demand sides of the equation. This Council needs to remember that job growth in excess of housing growth causes the cost of housing to soar. This Council’s approval of a 2% growth rate (double the rate recommended by the Planning Board) virtually guarantees housing prices will continue to rise and the affordable housing crisis will continue to worsen.

Other actions worthy of consideration in a comprehensive strategy include:

1. Stop the leaks in the MPDU program. Eliminate buyouts. Extend the control period to 99 years. Require that all MPDUs be sold to qualified buyers even if this means extending the “for sale” period or having the County buy the units until a qualified buyer can be found.
2. Bring the rate of job growth in balance with *sustainable* rates of growth for housing and infrastructure capacity, particularly transportation capacity and school capacity.
3. Require the housing chapter in each master plan to specifically address where affordable housing is appropriate, how much can be built, and what zoning standards will apply.
4. Keep older neighborhoods affordable by requiring a one-to-one housing unit replacement. Ensure that infill and urban renewal areas do not sacrifice any existing affordable units for newer, larger and significantly more expensive houses.
5. Increase the stock of naturally occurring affordable market rate (versus subsidized) housing. For example, bring lot coverage percentages down on small lots in established neighborhoods of small houses.

Finally, the Council needs to establish performance measures to track and report affordable housing results no less than quarterly. In order to evaluate what is and what is not working, performance measures need to address:

1. The number of new units produced PLUS the number of older units returned to the program by planning area.
2. Balance between increased density for affordable housing with the capacity of public facilities including schools, roads, emergency services by planning area.
3. Compatibility with adjacent neighborhoods specifically addressing how well affordable units are dispersed to avoid over concentration that alters community character.
4. Conformance with the general plan, master plans and sector plans, zoning standards.
5. Sustainability of the affordable housing supply including the effectiveness of the inspection process in ensuring that all affordable units are well maintained.

Montgomery County deserves more than a piecemeal approach to the affordable housing crisis. We believe the time to deliver a comprehensive solution is now.

Thank you for this opportunity to provide input to the process.

Respectfully,

Nancy Wendt  
On behalf of The Olney Coalition