Advisory Committee Kickoff Meeting (Meeting #1) April 27, 2015 Auditorium, Montgomery County Planning Department

In Attendance: Gwen Wright (Planning), Clarence Snuggs (DHCA), Tina Benjamin (DED), Nadim Khan (HHS alternate), Robert Goldman (MHP), Ilana Branda (MHP alternate), Dick Knapp (Foulger-Pratt), Christopher Donald (HOC alternate), Val Lazdins (Planning), Jay Greene (DHCA), Matt Greene (DHCA), Rose Krasnow (Planning), Andrew Aurand (Planning), Kyle Talente (RKG)

Agenda

- 1. Overview of Study
- 2. Role of Advisory Committee
- 3. 3-minute Roundtable
- 4. Next Steps

Overview of study and role of Advisory Committee

See Powerpoint.

Summary of perspectives on the County's rental housing issues presented during 3-minute roundtable (by topic)

General Need

- We need more affordable housing in Montgomery County.
- Montgomery County has about 50,000 to 55,000 cost burdened households in need of more affordable housing.
- Transportation costs can be significant with regard to the overall cost of housing need to factor them into the affordability equation.
- Housing affordable at 30% to 40% AMI is in danger of being lost.
- We should set goals, decide how to meet those goals, and determine what the measures of success are.
- We need to look at the full spectrum of affordable housing from the homeless to the workforce.

Demographics

- Seniors are important to consider and we also need to recognize that not all seniors are wealthy.
- We have a perfect storm of new residents/immigrants who need housing and we have a growing percentage of seniors who need opportunities for housing.
- Demographics are changing, we're becoming poorer, and there's a divide between rich and poor. Good housing policies can hopefully address this divide.
- There are a lot of competing priorities that we are trying to deal with. (For example, there is the millennial market vs. a senior market).
- How do we recruit millennials to Montgomery County? Where do millennials want to live?

MPDU

- We may need to revisit the MPDU program MPDU law has been great, but we can't build our way out of the affordable housing problem.
- We need to expand our affordable housing toolbox.
- Some MPDUs may require a higher income than some of our market-rate affordable housing.

Other Strategies

- Co-locating affordable housing on public land (including school sites) is one strategy, but the County has been tentative.
- We need to find ways to pay for affordable housing.
- Capturing the added taxable property assessment values to help pay for affordable housing as public investments (like transit) are made that result in increasing property values.
- We need to look at incentivizing the preservation of market-rate affordable units.
- Trying to preserve existing market-rate affordable housing prevented Long Branch from being up-zoned. When the Purple Line comes, even keeping the existing zoning in place will not guarantee that those same units will continue to remain affordable.
- Even when we have higher densities, how do we make the economics work?

Political Challenge

- Opposition relaxing the requirements regarding accessory dwelling units was controversial in the new zoning ordinance so it was pulled out. People felt neighborhoods would decline – a fear of Section 8 housing and congestion – but expanding opportunities for accessory dwelling units is key.
 - Changes regarding accessory dwelling units were brought to council, on their own, prior to the new zoning ordinance, so they could be addressed separate from the larger zoning rewrite. As a result, apartments are permitted on more liberal terms than before. They are now permitted uses in most zones, with some standards and limitations, such as spacing and size limitations.
- People complain about Section 8 Housing, which often isn't Section 8 Housing.
- There is opportunity for higher density in the County's urban areas, but there are political challenges.
- How do we get around the fear of density? You can have higher density close to single-family homes without hurting property values but how do you get public to support it?
- The intent of the zoning code is to be a compelling tool to provide more affordable housing. The challenge is finding developers willing to do it (make use of code provisions to provide more affordable housing).

Economic Development

- Economic Development provides a real basis for doing this study.
- Affordable housing always comes up as a way to attract employees, so we need both low and moderate income housing.
- NIH has trouble recruiting because people want to live close by.
- A survey of HR directors would be a useful addition to the study.
- Need to look at housing both from the supply and demand side.

Questions to explore

- What are we going to do about affordable housing, how are we going to do it, and where are we going to put it?
- How do we fund all of it how do we fund doing affordable housing?
- How do we build more affordable housing?
- How to do more sustainable development?
- How do we incentivize affordable housing and the preservation of existing affordable housing?
- What incentives are developers willing to employ? How do we make the C/R zone work better to accommodate affordable housing?
- We need to hear from the people (about housing).
- We need a County-wide perspective.
- We need to understand all of the perspectives on the issue from the homeless to workforce housing and there's a lot in between.
- We need recommendations better than those which led to Pruitt-Igoe.
- Are we building housing stock for people who in the long-run won't maintain it or want it?
- Will millennials want one/two bedroom apartments in the future?
- What design techniques can be employed to better integrate density into existing single family neighborhoods?
- What about rent control?

Other comments

- Services that go with affordable housing, especially below 30% AMI, are important.
- Two key issues expiring subsidies and existing available land for development
- Small landlords are important to Montgomery County we need to look at them as well.
- There is a growing number of single-family homes in the rental market.
- 100% affordable development is easier than mixed use development (with regard to tax credits).
- Why is it so bad to redevelop the I-3 (zone)?
- Use an on-line tool to ask millennials questions about housing preferences and issues.
- Need to develop good metrics to gauge success.
- Standards / Expectations for rental housing are set too high don't need all of the features provided granite counters, etc.

Next Steps

The Advisory Committee will meet in early summer to help identify key stakeholders to include in interviews and focus groups. We want to ensure that we include all interests. At this meeting, we will also ask the Advisory Committee to comment on the consultant's proposed sub-areas of the county, which he will present to us at this meeting.