



**MONTGOMERY COUNTY PLANNING DEPARTMENT**  
THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

February 1, 2008

Memorandum

To: Montgomery County Planning Board

Via: Roselle George, Research Manager, Research & Technology Center, 301-650-5612

Re: Housing Policy Element of the General Plan

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Note: the proposed schedule in this staff report has been modified and will likely change again during the project. For the latest information, please check: [http://mncppc.typepad.com/the\\_home\\_stretch](http://mncppc.typepad.com/the_home_stretch)

***Summary***

Pursuant to the Housing Policy program element in the FY08 budget, the Department is engaged in a substantial effort to improve both our understanding of housing issues in Montgomery County and our ability to successfully address those issues. This effort will ultimately lead to the adoption of an expanded Housing Element to the General Plan. Issues to be addressed throughout this process include housing affordability, housing choice, stability of the existing housing stock, and preservation of neighborhoods.

The Research & Technology Center proposes a series of reports and presentations to the Board throughout the next few months. These presentations will consist of analysis and findings on major housing issues facing the County. This 4-month public engagement process will lead up to work sessions on amendments to the General Plan.

At each worksession, the Planning Board will explore one or two aspects of the housing issue, getting the benefit of staff's analysis, expert opinions, and public comment (including comments from other agencies and stakeholders). The Board's discussion will provide direction to the Planning staff as it drafts amendments to the General Plan that will be put out for public hearing and Planning Board discussion in June.

We envision that each of the scheduled housing worksessions with the Board through May 29<sup>th</sup> will follow this format: staff presentation, public comment, board discussion. These will be augmented by public speakers, who may speak at Planning Board work sessions, or at other times, depending on the schedules of the Board and the speaker.

We will have continuous online public engagement. Material prepared for each work session will be posted online in a way that allows public comment to begin right away. Comments posted prior to the Board's work session will be made available to the Board for that work session. Collected comments will be given to the Board for the final work session(s).

### **February 14<sup>th</sup>: Demonstration of the Housing Inventory; Review of Work Program**

*Written Report:* Report on Housing Supply and Demand to be submitted to the Board May 8, 2008

*Presentation to the Planning Board:* Yes

*Report/Presentation Content:*

The preparatory stage of the Housing Policy Element has involved substantial data collection, compilation and analysis pertaining to Montgomery County's housing inventory. The February 14<sup>th</sup> presentation will begin with a description of the various sources of data that have been incorporated as a result of this effort.

The presentation will include extensive, newly-acquired and compiled point data regarding the County's current housing inventory. This data will be invaluable throughout the remainder of the Housing Project and in support of all future planning efforts. Specific data sets to be demonstrated include:

- Location by age of structure (time series map showing development of Montgomery County over time)
- Housing by structure/unit type
- Housing by structure/unit size
- Additions—location and size
- Assessments by location
- Foreclosures by location
- Housing by tenure (own/rent)
- Location of licensed rentals
- Licensed rentals by type

In addition to a demonstration of the general housing inventory, this presentation will include a demonstration of the newly acquired and compiled data related to housing affordability. Staff will demonstrate how the work completed to date can contribute to the development of a better understanding of affordability in Montgomery County. Specific demonstrations will include:

- Historic maps of affordability
- Current housing values and changes in assessed values by neighborhood
- Neighborhood shifts from affordable to unaffordable
- Identification of today's affordable neighborhoods

- Common characteristics of housing stock in affordable neighborhoods
- Other—social factors tracked that relate to housing
  - School clusters and affordable neighborhoods
  - Legal and illegal accessory units
  - Overcrowding violations
  - Crimes against property

Staff will conclude with a demonstration of the growing database of information related to “controlled” (regulated) affordable housing in Montgomery County. Staff will describe successful and ongoing efforts to locate and understand the life cycles of all controlled units, including:

- Moderately-priced dwelling units
- Workforce housing units (Lot 31)
- Bond-financed units
- Tax-credit financed units
- Other government programs

Staff will engage the Board in a discussion regarding the work program and schedule for the remainder of the project. As part of that discussion, staff will seek the input of the Board with respect to proposed speaker series and public outreach throughout the process of developing an update to the Housing Element of the General Plan.

## ***Content and Schedule of Worksessions***

### **March 6<sup>th</sup>: Policy Analysis**

*Written Report: Yes*

*Presentation to the Planning Board: Yes*

*Report/Presentation Content:*

The second stage of the Housing Project will culminate in a report and presentation to the Board addressing the County’s current housing policies and programs, identification of emerging issues not addressed by existing policies or programs, and a review of best practices among other jurisdictions facing similar problems. Two policies in particular will form the core of the review: the General Plan Refinement of the Goals and Objectives (adopted December 1993), and the County’s adopted housing policy, *A Place to Call Home* (adopted July, 2001).

The goal of this report and presentation to identify the extent to which adopted policies address current housing issues, including:

- Workforce housing
- Accessory Dwelling Units

- Design guidelines
- Redevelopment issues (including condo conversions and mansionization)
- Neighborhood conservation
- Innovative financing strategies for reducing the land-cost barrier to affordability
- Preservation of existing affordability as cost-effective solution to affordability
- Consideration of “no net loss” of affordable housing units as a guiding principle of the Housing Element

Several of these policy issues were not explicitly addressed in previous efforts. Others were addressed but recent thinking suggests that they deserve a fresh look.

### **March 27: Planning, Zoning and Development Review**

*Written Report: Yes*

*Presentation to the Planning Board: Yes*

*Report/Presentation Content:*

The third stage of the Housing Project will culminate in a report and presentation to the Board addressing the current relationship between housing choice and affordability and the Montgomery County Planning Department’s efforts with respect to planning, zoning, and development review. Specific topics may include:

- Current treatment of housing issues in master plans
- Specific current or imminent planning efforts involving significant housing component (e.g. Georgia Avenue, Battery Lane)
- Housing issues to be addressed in future master plans (e.g. number of units by size and type, affordability, impact of redevelopment on housing, assessment of potential loss of housing affordability or choice, neighborhood stability/preservation)
- Current inclusionary zoning program
- Relationship between MPDU and TDRs
- Current treatment of housing affordability and choice in the subdivision and development review processes
- Results and implications of focus group/roundtable with Community-Based Planning and Development Review
- Results and implications of analysis of MPDU bonus density

### **April 17<sup>th</sup>: Design and Housing**

*Written Report: Yes*

*Presentation to the Planning Board: Yes*

*Report/Presentation Content:* The fourth stage of the Housing Project will involve a report and presentation to the Board addressing issues related to design and housing, including:

- Design excellence
- Form-based codes and design guidelines
- Optional Method Development

In addition, the presentation and report will address a number of design issues specific to housing affordability, including:

- Influence of amenities on affordability in general
- Appearance of MPDUs
- Grouping of MPDUs
- Possible amendments to the design guidelines for MPDUs

### **May 8<sup>th</sup>: Housing Supply and Demand, Housing Transportation Affordability Index**

*Written Report:* Yes (two)

*Presentation to the Planning Board:* Yes (two)

*Report/Presentation Content: Housing Supply and Demand*

The fifth installment of the Housing Project will involve two separate reports and presentations. The first of these will include the results from the Department's study of housing supply and demand. Among the supply-related issues to be addressed:

- Development trends affecting nature and quantity of supply (e.g. mansionization, infill, etc.)
- Zoning capacity, pipeline data, and forecasts
- Other factors affecting supply (e.g. transit service improvements)

The Supply and Demand report will address numerous factors affecting current and future demand for housing in Montgomery County, including:

- Job growth generally
- BRAC
- Demographic trends and the impact thereof on housing demand (e.g. on housing type, size, and location)

In light of the analysis of both supply and demand factors the report will address the question of future demand for housing by type and size at various levels of affordability and identify key gaps between supply and demand with respect to both choice and affordability.

*Report/Presentation Content: Housing Transportation Affordability Index*

The second report and presentation will include a report and presentation outlining the results of a study of the relationship between housing affordability and transportation. Presentation will be made by a prominent expert in the field, Professor Arthur “Chris” Nelson of Virginia Tech University. The presentation and report will include the results of a study of the impact of transportation costs on housing affordability in Montgomery County.

#### **May 29<sup>th</sup>: Legislative Changes; Intra- and Inter-Departmental Coordination**

*Written Report: Yes*

*Presentation to the Planning Board: Yes*

*Report/Presentation Content:*

Based on the findings of all research to date, staff may present to the Board a compilation of the recommended changes to County legislation, policies and programs (including changes to MPDU and workforce housing laws).

The report will also outline the need for an update to the Housing Element of the General Plan. That discussion will include a description of the requirements of the workforce housing grant program, the utility to the County of funds under the program, and the process and requirements for HUD certification of a workforce housing element. The report will then recommend next steps.

Staff will discuss with the Board ways in which the Department might work with other County agencies to address housing related issues. Staff will first outline “next steps” in the Department’s continuing efforts to expand the Department’s access to housing-related data and consolidate that data into a form that will be useful to the Department in its various housing-related efforts. Staff will outline ways in which the Department can be of service to other County agencies by providing housing-related data and analysis. Included in this discussion will be ways in which the Planning Department can provide data to support follow-up for Office of Legislative Oversight reports related to housing.

This presentation will also present the Department with an opportunity to thank the members of the general public and housing advocates for their input and participation in identifying both housing problems and potential solutions.

#### **June 12<sup>th</sup>: Public Hearing on Housing Element of the General Plan**

*Written Report: Yes (Housing Element of the General Plan)*

*Presentation to the Planning Board: Yes*

*Report/Presentation Content: Update to the Housing Element of the General Plan*

Staff will present the revised content of the Housing Element of the General Plan. The revised content will incorporate language regarding choice and affordability. The revision will satisfy requirements of HB 1160 for the receipt of Workforce Housing Grants. HB 1160 requires that counties applying for workforce housing grants must develop a HUD-approved, 5-year consolidated/comprehensive plan or that includes a workforce housing element.

**June 19<sup>th</sup>: Planning Board Worksession**

**June 26<sup>th</sup>: Planning Board Adopts Housing Element and transmits to the Council**

### ***Features of the Work Program***

#### **Resources**

The Housing Policy Element of the General Plan is a project of the Research and Technology Center, Strategic Planning, and Community-Based Planning. Team staff include: Roselle George, Barbara Kearney, Jacob Sesker, and Sharon Suarez of Research and Technology; Piera Weiss of Community-Based Planning; and Matt Zisman of Strategic Planning. A total of 3 work years has been allocated to the project in the FY08 budget.

The FY08 budget contained professional services funds in support of housing policy; some of these funds are part of the Department's contribution to the 2 percent savings plan. However, the Department has retained \$25,000 for economic consulting (the RFP has been issued), specifically to assist with the financial aspects of redevelopment, which will also support the Battery Lane project.

#### **Technology**

The staff team looked for opportunities in this project to expand or stretch the Department's use of technology for planning and outreach.

- The housing inventory is almost entirely point data in GIS, which will greatly facilitate current and future analysis of housing issues. The GIS team is working on web-based GIS viewer, which we hope will be available later this spring. This will allow us to post the housing inventory for online use. In addition, through the Fibernet, the County agencies that have contributed data to the inventory will be able to use it for analysis.
- The Planning Department has been considering the use of a software package called LimeHouse that is a web-based collaborative tool for developing plans and other reports. It is intended to facilitate community participation in plan-making, and to more easily publish the results. We have decided to use the Housing Policy Element as a demonstration project for using this software in the department.

- In addition to LimeHouse, we will be actively seeking comments and other public input via the web. We will be incorporating a variety of technology-based public interfaces, including: discussion boards, opt-in e-mailing lists, and web-based GIS applications.

## **Outreach**

The outreach process for this project will be multi-faceted, and will consist of both traditional and technology-based interfaces with the public. The 4-month public engagement process described hereinabove will provide multiple opportunities for public participation through traditional interfaces, including attendance and participation at speaker series events and Planning Board sessions. An all-day Housing Policy Community Roundtable will be held on a Saturday in April (date to be chosen following consultation with the Community Outreach Team), and will provide local housing advocates an additional opportunity to participate and provide their insights and expert opinions during the development of the new Goals and Objectives of the Housing Element of the General Plan.

This project will also involve substantial technology-based interface with the general public. First, a web-page for the Housing Policy is currently in development. This web-page will contain information regarding the project schedule, links to documents and to the audio from speaker series events, an e-mail mailing list opt-in, a chat room/discussion board, and web-based GIS tools to provide the public access to maps and data collected as part of this endeavor. Public participation via the web will be formally incorporated in this project through summaries and excerpts of posted comments to be provided to the Board.

In addition to serving as a trial of the Limehouse software package, this project will more generally serve as an opportunity to further develop and refine the Department's technology-based public interfaces. Such refinement is consistent with the recommendations included in the Master Plan Reassessment, recently completed by the Strategic Planning Division.

## **Coordination**

We are coordinating with several public agencies and programs. To date, that coordination has involved the following Montgomery County entities:

- CountyStat
- Affordable Housing Workgroup
- Housing Opportunity Commission
- Montgomery County Department of Housing and Community Affairs
- Montgomery County Department of Permitting Services
- Montgomery County Public Schools
- Montgomery County Police Department

In addition, the project has involved coordination with the various State of Maryland entities, including:

- State Department of Assessments and Taxation
- State Department of Housing and Community Development



- State Attorney's Office
- State Attorney General's Office

Coordination with other public agencies and programs has been essential to the early success of the Housing Project. Building relationships and sharing data with these other entities has been the focus of substantial staff time to date. While building and maintaining these relationships involves substantial commitment to a quid pro quo approach to data sharing, the time dedicated to these relationships will pay dividends in every future project that involves the analysis of housing data.