



THE MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION

Memorandum

August 6, 2004

To: Sandra Youla, CBP Resource Team**Cc:** Charles Loehr, Karl Moritz, Jeff Zyontz, John Carter, Rick Hawthorne, Carlton Gilbert, Gregg Russ, Melissa Banach, Roselle George, Michele Rosenfeld, and Debra Daniel**From:** Sharon Suarez, AICP, Housing Coordinator, MRO RTC**Re:** Accessory Apartment Zoning Text Amendment/DHCA's estimation of new applications resulting from proposed changes to the ordinance**Summary**

Montgomery County is considering changes to the zoning ordinance that would streamline the accessory apartment approval process with the goal of increasing the number of accessory apartments. Research & Technology Center (RTC) staff surveyed seven localities around the country to determine if similar streamlining efforts in those communities resulted in additional accessory apartments. All of the surveyed localities reported that the pace of accessory apartment approvals did not change as a result of the revisions to the approval process, but all localities nevertheless felt that the streamlining effort was a positive step.

Background

Currently DHCA's Division of Housing and Code Enforcement (DHCE) reports approximately 500 registered living units (RLUs) and 440 accessory apartments (AAs).¹ Over the years, approximately 200 of the AAs have been converted to family living units, leaving only 240 units currently rented to non-family members. In the past year, M-NCPPC has reviewed 20 AA special exception applications. According to Cynthia Gaffney of the DHCA DHCE, 20 applications per year is high, with most years receiving fewer than 20 AA applications.

The changes proposed to the accessory apartment section of the ordinance strive to make the application process for AAs under 800 square feet in size an administrative process, instead of a discretionary one. These changes will result in lower fees and less processing. The hope is that the more permissive nature of the proposed ZTA will result in about 250 additional accessory apartments within the next five to 10 years, or about 25 applications per year over a 10 year period—a 25% increase per year over recent years.² RTC staff was asked to do a quick study to determine whether DHCA's estimated number of new applications is understated.

RTC staff conducted telephone interviews with selected jurisdictions, based on two telephone discussions with Ms. Teresa Koenig, University of Southern California, who provided RTC with a copy of the database she developed for her current national survey on AAs. She helped identify several jurisdictions known to have high housing prices, high demand for affordable units, and recently changed zoning ordinances—ones that had been recently changed to be

¹In Montgomery County AAs require separate licensing requirements. The Board of Appeals must grant the property owner a special exception. Tenants of AAs pay rent to the owner. RLUs are exempt from licensing requirements, and residents of RLUs are related to or are employed by the owner and do not pay rent.

²In the past several years M-NCPPC staff has reviewed approximately 20 AA special exception applications per year.

more permissive of AAs. To all the jurisdictions with whom RTC staff spoke, our questions were simple:

- (1) When your ordinance became more permissive of accessory apartments, did you see a marked increase in the number of applications over the previous situation?
- (2) Were the results what you anticipated or hoped for?
- (3) In retrospect, are you glad you made your ordinance more permissive?

Interview Results

State	Jurisdiction	Person's Name and Title	(1) Did you see a marked increase in the number of applications over the previous situation?	(2) Were the results what you anticipated or hoped for?	(3) In retrospect, are you glad you made your ordinance more permissive?
California	Burbank	John Bowler, Planning and Zoning Dept.	NO	NO	YES
California	Vallejo	Catherine Donovan, Planning Dept.	NO	NO	YES
California	Dale City	Howard Lee, Planning Dept.	NO	NO	YES
Colorado	Boulder	Robert Cole, Current Planning Director, and Linda Hill-Blakely, Housing Planner	NO	NO	YES
Colorado	Longmont	Rick Damian, DHCA	NO	NO	YES
Washington	Seattle	John D. Skelton, Mgr., Land Use Policy Dept., Dept. of Plan & Dev.	NO	NO	YES
Maryland	Howard Co.	Bob Lash, Director of Zoning; Marilyn Weeks, Rental Housing Licenses	NO	NO	YES

Conclusion

If our experience is similar to those interviewed for this memo, Montgomery County is likely to have about the same number of AA applications as before the ZTA was changed. Without exception, the jurisdictions interviewed did not see an increase in the number of applications for accessory apartments over the previous situation, despite increasing pressure from increasing housing costs and increasing pressure for more affordable housing. This would mean that DHCA's estimate is not likely underestimated, and, instead, might be slightly overestimated.

One might wonder whether we should change our AA ordinance, if we are not likely to realize an increase in the number of applications. Without exception and regardless of the lack of increase in the number of applications, the jurisdictions interviewed believe that:

- (1) A permissive accessory apartment ordinance is an important component, albeit a small one, of a community's affordable housing toolkit, and
- (2) Their jurisdictions consider the changes to the AA ordinance to be positive affordable housing policy that will continue to serve their future needs.