

Sidney Katz
President, Montgomery Council
100 Maryland Avenue, 6th Floor
Rockville, MD 20910

Re: 2020-2024 Subdivision Staging Policy (SSP)/County Growth Policy

Dear Council President Katz and Councilmembers,

The Maryland Building Industry Association is submitting testimony in reference to the 2020-2024 Subdivision Staging Policy (SSP)/County Growth Policy. Over the last year we as an association have met with planning staff, community groups, and other stakeholders to discuss both the schools and transportation segments of the Subdivision Staging Policy (SSP), the county's adequate public facilities ordinance. We had several in depth and productive discussions that allowed us to form our response and address our main concerns.

First off, we wanted to acknowledge the Planning Board and Staff for their tireless efforts in preparing this policy in such detail. They left no stone unturned in evaluating the counties growth projections and diligently studying the detailed data as a basis for their recommendations to the Board and the County Council. Jason Sartori and MNCPPC Staff were always available to meet and address any concerns we had regarding the SSP, as well as being open to new ideas. We commend them for proactively proposing innovative solutions to issues that have plagued the County. The Subdivision Staging Policy is critical to ensuring that Montgomery County school and transportation infrastructure are adequate to meet the counties growing population. Since July 2019, 12 percent of Montgomery County has been under a housing moratorium, including large swaths of Silver Spring, North Bethesda, and Wheaton, some of the most desirable areas of the county, with premier access to major transit and job hubs.

We strongly support the recommendation to eliminate the automatic moratoria within Turnover and Infill Impact Areas. Moratoriums are not an effective solution and put the County at risk of being perceived as "closed for business". We also strongly support the elimination of the automatic moratoria in the Greenfield Impact Area. The Clarksburg area is important for meeting the county's housing goals, and the single-family housing market especially now. This is a shared responsibility for the growth of the county and all its citizens. Please change the narrative to focus on how to improve planning and funding for on-time capital improvements and enlist all stakeholders in this goal. *As noted in the Policy document, new development is not the greatest burden on school infrastructure today. Most of the county is experiencing school enrollment growth due to turnover of existing single-family neighborhoods which is not addressed by the SSP at all.*¹ Stopping development does not actually solve school

¹ 2020-2024, County Growth Policy. <https://montgomeryplanning.org/wp-content/uploads/2020/05/County-Growth-Policy-Working-Draft.pdf>

overcrowding; funding is the main issue for school capacity. From a more general perspective, the perception of moratoria to outside businesses and residents who are looking to work and live in the county is a negative one.

The determination of areas that went into moratorium is determined by the Schools Test, which has no discretion as to its application, and is counter to the recommendation from Staff giving the Planning Board discretion to determine whether the conditions are sufficient for supporting a proposed development. We strongly oppose this recommendation. To avoid any confusion, the summary of this recommendation should be clarified to reflect that Planning Board discretion would apply only if the Annual Schools determines that a school exceeds adequacy standards. Guidelines should help facilitate project approval that may be concurrent in any given school year in consideration of the resulting economic development in the County. The recommendation that developers pay "Utilization Premiums" we support with a few concerns, regarding the three year window and the amount of the payment. Also, there continues to be a flaw in the capacity test that does not account for development over time. It assumes all units are built on day-one. We understand that it may be hard to predict the exact development timing but this current assumption is completely wrong and unrealistic.

With respect to the Transportation recommendations we completely support the idea of prioritizing safety and Vision zero but it needs to acknowledge this requires increases in congestion and the relevant Transportation metrics need to account for this. Also, placing all responsibility on one development for improvements to adjacent roads etc., needs to be reconsidered especially as it relates to redevelopment areas and areas where existing conditions warrant or require flexibility. Regarding the Transportation Impact Tax, we ask for a reduction in impact fees if there is a binding trip reduction agreement. If you are only allowed to generate 85% of the trips per square foot, why should you pay 100% of the tax which is based on 100% of the trips per square foot. We strongly support the creation of Purple Line policy areas to support redevelopment and infill development near transit, and ask changing the color category of this policy to red. Please encourage the Planning Board to increase the transit-accessible policy area umbrella as much as possible to increase the opportunities for affordable housing near and adjacent to transit.

Regarding Section 6, and the Tax recommendations, we agree that the recordation tax is an effective broad-based tax that can generate effective levels of funding for infrastructure, but strongly oppose the increase of the recordation tax, In lieu of increasing the recordation tax, look at changing the existing allocation to better mirror the priorities of the county. If there is limited funding, policies need to be prioritized rather than trying to make new development carry the load. The level of fees that new

development must absorb works against the County priority for affordable housing and will not help the County grow to the needed permits per year to sustain its economic vitality.

We also oppose the doubling requirement for affordable units, this exemption program has been successful in providing MPDU units for the County because it makes it financially feasible to support these units. The program is only starting to generate the affordable units envisioned so please consider continuation.

We again thank the MNCPPC Planning Staff for their efforts on putting together this document and look forward to working with the County Council on creating a growth policy that works for Montgomery County.

If you have any questions or concerns, please contact Griffin Benton, Director of Government Affairs at gbenton@marylandbuilders.org or (202)-815-4239.

Respectfully,

Sylke Knuppel, PE
Chair, Montgomery County Chapter