TO: MONTGOMERY COUNTY COUNCIL

FROM: FRANCES E. PHIPPS

RE: TAKOMA PARK MINOR MASTERPLAN AMENDMENT (MMPA)

COUNTY COUNCIL HEARING – JAN.25, 2023

The following testimony is focused solely on the Minor Masterplan Amendment's recommendations for Takoma Park's Maple Avenue Corridor between Silgo Creek and Philadelphia Avenue.

SUMMARY:

The MMPA, as approved by the Maryland-National Capital Park and Planning Commission (MNCPPC):

- 1. does not address the City of Takoma Park's desire and specific and repeated requests to retain and improve its existing inventory of affordable housing which exists on either side of Maple Avenue.
- 2. promotes the destruction of the affordable housing that currently exists along Maple Ave. forcing out their existing tenants, and
- 3. provides the financial incentive for redevelopment by eliminating the City's rent control requirements for five (5) years, allowing market rate rents causing the gentrification of a once affordable community.

The MMPA should be returned to the MNCPPC to address these critical housing affordability issues.

CONTEXT:

Takoma Park is a small incorporated jurisdiction [2.4 square miles] within Montgomery County. Amazingly, this small City has the largest concentration of affordable units within Montgomery County, one of the wealthiest counties in the nation. This is due to both the City's culture and the value it places on racial diversity and housing affordability since the mid of the last century when multifamily housing was first being constructed along Maple Avenue between Silgo Creek and Philadelphia Avenue.

This area is composed of a vibrant mixture of low-rise, garden type apartments as well as mid-rise and a scattering of higher rise structures, all under rent control. Unlike many affordable housing locations, Maple Avenue provides access to a rich environment of educational, recreational, institutional and police services within walking distance. Many of the tenants in these buildings are long-term tenants who call

Takoma Park home. No wonder the County Executive called out Takoma Park as an irreplaceable resource for the County's vulnerable population.

WHAT THE MMPA PROPOSES FOR MAPLE AVENUE:

For this collection of primarily residential properties, the MMPA proposes a comprehensive upzoning to mixed use (CRT 1.5 -CRT 2.5) with heights ranging from 65' for a few, and 150' for the majority of the buildings. The intent is to stimulate redevelopment of the entire Corridor. Upzoning of height and density are not the only financial incentives offered. **The Plan also provides for a five-year exemption from the City's long-standing rent control requirements, allowing market rents for this period**. The Plan additionally suggests the City modify and weaken its current rent control policy! How is this consistent with County policy on improving and expanding existing affordable housing?

While attractive financial inducements are provided for new construction, there are **no** incentives provided to improve Maple Avenue's existing affordable housing. Why isn't there an incentive program in the Plan for improving the existing affordable inventory? The Plan should provide a variety of possible inducements, such as, but not limited to: a renovation fund for needed improvements in existing affordable units; providing technical and expert advice to owners on how to become more energy efficient and benefit from existing State and local programs; identifying possible tax waivers, allowing all to use "in lieu" exemptions instead of cash; and focusing public infrastructure improvements and landscaping on the existing properties.

WHAT WOULD BE THE RESULT OF THIS PROPOSED REZONING?

What would be the result of the proposed upzoning on the County's largest concentration of affordable units? In violation of the County's policy of "retaining and improving existing affordable housing", implementation of these zoning recommendations would destroy a wide swath of these existing units — most likely starting with the small and mid-rise structures and expel current residents.

Totally unmentioned in the Plan is the issue of what happens to the existing tenants. It is clear that they will be displaced. As we all know, the callous and ineffective phrase "the Right to Return" to a market rent property is meaningless to an expelled tenant. The existing low-income tenants will be replaced wholesale by those who can afford the *market rents* which the owner can charge for the first five years. The result is **gentrification**. **In planning, adverse impacts that are predictable should be prevented.** This is a predictable impact, and the City of Takoma Park has requested that it be prevented.

The Vice-chair of the Planning Board, to her credit, raised this issue during a work session on the proposed rezoning. The staff response was to advise the Board to simply eliminate the term "gentrification" from the document. The Board agreed.

THE CITY OF TAKOMA PARK'S POSITION ON AFFORDABLE HOUSING IN THE MMPA:

The City's first resolution on the Draft MMPA, Resolution 2023-33, stated as its first two (2) priorities:

NOW, THEREFORE, BE IT RESOLVED that per its June 7, 2023 Council Resolution 2023-16, The City Council *continues to request* that the Montgomery County Planning Board ensures that the MMPA addresses seven priorities: (1) *incentivizing the creation of a range of housing types;* (2) *retaining and improving existing affordable housing;*

Later in the Resolution, under the Topic of Promoting a Diversity of Housing in the Plan Area, the Resolution states: "Where appropriate in the **Maple Avenue District**, the MMPA should encourage innovative in-fill development opportunities on underutilized portions of parcels *that do not adversely impact existing affordable housing units...*"

In the same Resolution, under the Topic of Protecting Existing Housing Affordability in the MMPA, the Resolution poses the following questions:

- How can the MMPA stakeholders <u>retain existing housing affordability while improving the quality of the existing stock of housing?</u>
- What protection mechanisms are in place to prevent displacement of current renters in the Maple Avenue District and are additional protections needed in the MMPA? and
- How do federal, state and local policies such as low-income housing tax credits, Moderately Priced Dwelling Unit (MPDU) requirements, rent stabilization, and others advance affordable goals in the MMPA, including no-net loss of affordable housing? The MMPA should be more explicit about how its goal of no-net loss of affordable housing and the City housing goals will be met in this plan."

The City has repeatedly made clear in its Resolutions and discussions that protection and enhancement of its current affordable housing resources is a priority. Mayor Searcy, in her testimony before the Planning Commission, September 14, 2023, expanded on this concern identifying the fate of the existing tenants as a major issue: "However, the plan needs to be revised to better reflect the City's values as well as ensure that the plan takes the necessary steps to protect the most vulnerable among us."

Her testimony goes on to state:

"Lastly, The City of Takoma Park contains 4 percent of the county's housing stock, but we make up 9 percent of the of the county's affordable housing units. *It is vital that we protect affordable housing in the City and demand that the Board hold a work session focused on Protecting Existing Housing Affordability in the Plan Area.* Specifically, the Board should examine how the Plan's stakeholders can retain existing housing affordability while improving the quality of existing housing. Additionally, the Board should explore what protection mechanisms are in the Plan to prevent displacement of current renters and ensure no-net loss of affordable housing."

HOW DID THE PLANNING BOARD RESPOND TO THE CITY'S REQUESTS FOR CHANGES IN THE PLAN RE. AFFORDABLE HOUSING AND DISPLACEMENT?

The short answer is they didn't. Oh, they talked a bit about it. Wrestled a bit with their conscience and then acceded to the staff's repeated assertion "the language stands!" What has happened to this

Montgomery County Planning Department which once was a model for the nation? What was presented to the Board was not a plan. It is solely a redevelopment strategy based on wholesale rezoning. This rezoning strategy totally ignores the values, the culture and the history of the community which were repeatedly mentioned.

Takoma Park is a small town with its values worn on its sleeve. It values and welcomes diversity. It provides extensive affordable housing. It treasures its trees, its stream beds and its environmental commitments. It takes pride in its racial diversity, its creative culture, writers, artists, musicians. It marvels and grumbles at our narrow, two-lane streets. It admires our human scale buildings which distinguish us from our bigger and busier neighbors such as downtown Silver Spring.

The MMPA does not recognize the critical but intangible values such as cultural identity and the beauty of an economically and racially diverse community. It attaches no meaningful value to our history of inclusiveness but demands that we become uniquely market-oriented and sterile. How does this plan fit with the character and temperament of Takoma Park, our collective memory and aspirations?

Planning, when well done, identifies the best of the community values and incorporates them as fundamental in promoting changes over time. The MMPA violates this precept in almost every regard in its recommendations for the Maple Avenue Corridor. This should not be allowed to stand.

IN CONCLUSION:

The County Council should:

- 1. pause consideration for approval of the draft MMPA, and
- 2. require the Planning Department to work with the City's requests for a plan which ensures no-net loss of affordable housing units and provides methods not only to improve and enhance existing affordable units but also protects the City's most vulnerable residents.

Respectfully submitted,

Frances E. Phipps

Planning Consultant, retired: who has successfully created policies and programs for the creation of affordable housing and the protection of residents on both the East and West Coasts.

Montgomery County

Cc: Marc Elrich, info@marcelrich.org;

Gabe Albornoz, <u>Councilmember.Albornoz@montgomerycountymd.gov</u>; Marilyn Balcombe, <u>Councilmember.Balcombe@montgomerycountymd.gov</u>; Natali Fani-Gonzalez, <u>Councilmember. Gonzalea@montgomerycountyme.gov</u>; Andrew Friedson, <u>Councilmember.Friedson@montgomerycountyme.gov</u>;

Evan Glass, <u>Councilmember.Glass@montgomerycountyme.gov</u>; Will Jawando, <u>Councilmember.Jawando@montgomerycountyme.gov</u>; Sidney Katz, <u>Councilmember.Katz@montgomerycountyme.gov</u>; Dawn Luedtke, <u>Councilmember.Luedtke@montgomerycountyme.gov</u>; Kristin Mink, <u>Councilmember.Mink@montgomerycountyme.gov</u>; Laurie-Anne Sayles, <u>Councilmember.Sayles@montgomerycountyme.gov</u>; Kate Stewart, <u>Councilmember.Stewart@montgomerycountyme.gov</u>.

Takoma Park

Mayor Talisha Searcy, <u>TalishaS@takomaparkmd.gov</u>
Cindy Dyballa, <u>CindyD@takomaparkmd.gov</u>
Shana Fulcher, <u>shana@takomapark.gov</u>
Randy Gibson, <u>randallg@takomapark.gov</u>
Cara Honzak, <u>carah@takomapark.gov</u>
Terry Seamens, <u>TerryS@takomapark.gov</u>
Jason Small, jasons@takomapark.gov