

Wheaton Urban District Advisory Committee

Meeting Minutes, Tuesday November 09, 2021

Online via Zoom

Members Present: Jim Epstein, Chair; Mariela Garcia-Colberg, Vice Chair; William Moore, Chris Pyon, William Jelen, Chelsea Andrews, Pedro Matamoros, Ali Oliver-Krueger

Staff Present: Jewru Bandeh, East County RSC Director; Shawn Morris, Aide; Jake Adler, MC Community Projects Manager

Guests: Gwen Wright, MC Planning Dept; Karen Cordry, KHCA; Rob Fox, MCCAB; Greg Ossont, Deputy Director DGS; Conor Crimmins, TOK; Partap Verma, M-NCPPC Commissioner; Del. Jared Solomon, Eden Durbin, Aide to Del. Solomon; Andrew Gagliano, Communications Manager Maier & Warner PR; Leah Haygood, Laura-Leigh Palmer, Chip Py, Kim Persaud, Brenda Freeman, Daniel Meijer, Celeste Banda, Natali Fani-Gonzalez, Monica Reyes, Khalid Afzal, MC Planning Dept; Mark Drury, Julian Olin, Ed Amatetti, President MC Taxpayers league; Linda Necastro-Pastel, Meg Morrow, Cary Lamari

Call To Order: 6:33pm by Chair Epstein. He then shared the meeting protocols and announced that East County RSC Director Jewru Bandeh would be subbing tonight for Mid-County RSC Director Luisa Cardona who is at a forum with CE Marc Elrich.

Minutes Review: A draft of the October WUDAC meeting minutes was reviewed. A motion was made and passed to approve the minutes without changes.

Reports:

A. Department of General Services(Greg Ossont): Deputy Director Greg Ossont updated WUDAC on the status of the retail space in the new P&P Building. The 11000 sq. ft of retail space has been listed since the building has been finished. Jones Lasalle is the broker helping to market the space. There has been interest but no letters of intent. The County Executive has asked DGS and RSC to use retail area for community space in the interim. They have put up window treatments and will be adding more to hide the construction area. WUDAC member, William Moore, inquired about the occupancy % in the building. Greg replied that it is not where we want it to be, that they might move some personnel over from the Wheaton Plaza South building. William Moore reminded Greg that Wheaton was promised an economic benefit from that building and so far there has been none. In response to another question Greg stated that he'd like the brokers to come explain the marketing strategy for the building. A couple of drawbacks that he mentioned were that it is unfinished space and the tenant would have to pay to build out and also that major retailers want to be at Westfield so it is unlikely that you will attract a major retailer to that space. Members inquired about the planned day care center and the need for the County Council to get involved with the retail space build out. Lastly Greg spoke of a long proposed Cultural Arts Center. They are looking at alternative sites in the CBD. Gateway and Lot 14 were mentioned. Chair Epstein inquired about a land swap on Georgia Ave. Gwen Wright from MC Planning answered that negotiations were still ongoing with MHP.

B. Elected Representatives(Jared Solomon): MD State Delegate Jared Solomon joined the meeting to update members. He mentioned some ongoing road improvement requests. A left turn from University to Georgia is not possible according to SHA. In that case they hope to improve other turns to

accommodate that traffic. Del. Solomon shared that the recently passed federal infrastructure bill would give Maryland much needed cash for road projects. In the General Assembly safety will be a top priority. We are trying to get some of the State budget surplus allocated to SHA.

Del. Solomon also mentioned that they are working with Safeway to set up a Vax clinic for kids, possibly Nov.21. Sites are under review.

Del. Solomon next spoke on redistricting. He explained the process of both the County redistricting and the State redistricting. In response to a question he stated that he did not know if the current District 18 team would be broken up. The County will announce new Districts in December and the State will announce the new map in January.

C. Chamber of Commerce(Ali Oliver-Krueger): Ali Oliver-Krueger, on behalf of the Wheaton/Kensington Chamber of Commerce, announced that they have welcomed David Mercado of Lafayette Credit Union to the Board of Directors. Arrive Apartments, formerly known as The Exchange has been added as a new member.

The Chamber is a sponsor of the Committee for Montgomery's Legislative Breakfast Governor's Forum. We have a table of 10 seats, tickets are available.

On October 26 we joined One Montgomery Green for a Walktober event where we went around to visit our member businesses. Our thanks to Del. Solomon and Eden for attending.

Our Holiday on Duty drive has started. We appreciate donations.

The monthly speed networking event that we co-sponsor with other Chambers will be held this Thursday at Fogo D' Chao.

There is a Vax event this week at Hughes Church.

No Chamber meeting in December

D. MCCAB(Rob Fox): MCCAB had an agenda setting meeting last week. I will be the liason between WUDAC and MCCAB.

E. Mid-County RSC(Jewru Bandeh): Luisa and Crystal Ruiz are at the Spanish budget forum tonight. In the future both Crystal and Luisa can give Mid-County update.

Hallowheaton was a success. Holiday décor is going up soon thanks to Sidney for all her efforts with these things. The Urban District is preparing for winter. The RSC and DOT will be meeting with business owners about outdoor dining.

Planning for activities for the new Town Plaza has begun. They are looking at Spring 2022 for first events. There is a December meeting and Luisa will update WUDAC on A&E activities.

Presentation:

Montgomery Planning, Thrive Update(Gwen Wright): Chair Epstein stated that Thrive 2050 was presented to the County Council today. He then introduced Planning Director Gwen Wright who in turn introduced her colleagues Khalid Afzal and Commissioner Partap Verma. After a brief overview, Gwen turned to Khalid to lead a Powerpoint presentation of Thrive 2050. He stated that Thrive does not

change zoning in any neighborhood. Plan is to establish overall policy view of 1969 plan and its implementation. Goal is to increase affordable housing, protect farmland and guide timely implementation. Gwen then led discussion on how Thrive was created and their vision for growth including reintroducing the East County Growth Corridor with transit and protect the AG Reserve. She also stated concurrent and related efforts for attainable housing strategies and a Silver Spring Downtown Plan. She noted upcoming community meetings in December and Council action early in 2022.

In response to a member question on how Thrive would benefit the Urban District, Gwen stated that it would recognize Wheaton as a vital activity center, improve transit and roads in district and improve environmental qualities.

Some responses from the community were as follows:

Thrive will change zoning, we don't want our future in the hands of developers.

There is no justification for Thrive, it will raise our taxes

Where are the Latino voices on the panel? A \$700,000 house is not affordable.

Action Plan? Cost?

Gwen stated Council is focused on policy plan at this time. It's about choice. It's not about adding people, it's about adding choice about where and type of dwelling they will live in.

Guest Kim Persaud implored WUDAC to write a letter to the county Council. She feels Council overlooks Wheaton and its current state is Council's fault. They have created this situation of high covid and illegal rooming houses.

WUDAC member Bill Jelen stated that he feels WUDAC should support Thrive and he volunteered to draft a letter.

Chair Epstein: Next meeting is December 14th.

Adjourn: 9:18pm

Planning Department Responses to Zoom Chat Comments/Questions WUDAC meeting of November 9, 2021

Note: The Plan, or Thrive, means the Planning Board Draft of Thrive Montgomery 2050.

Brenda Freeman:

The 15-minute living goal is not realistic for everyone. Existing neighborhoods are also communities.

Response:

Thrive Montgomery 2050 does not expect everyone to literally live within 15-minutes of daily needs and amenities. The concept of Complete Communities to support 15-minute living seeks to locate as many services and amenities as feasible close to the residents who need these services and amenities. The goal is to serve the daily needs of people within walking or biking distance so that they do not need to use a car for every errand. While a literal or rigid application of 15-minute living may not be practical outside of the centers and major corridors, Complete Communities – and 15-minute living-- represent a departure from the automobile-oriented land-use planning of the last several decades and an important tool in reducing our reliance on cars and achieving our goal of eliminating greenhouse gas emissions.

The Plan states, “In addition to transit-oriented, mixed-use development, the concept of “15-minute living” has emerged as a way of reimagining existing communities to maximize their attractiveness and efficiency by locating living spaces in each neighborhood or district within walking distance of services, infrastructure, facilities, and amenities that serve the daily needs of the people who live there. While a rigid application of 15-minute living is unlikely to be practical in every part of the county, the concept is a useful way to think about how to build complete communities and should be an organizing principle in planning for their success.” (p. 45)

Conor Crimmins (TOK):

How does MC re-prioritize roadways for pedestrians and bicycles along the multitude of State Highways as the County does not control those rights-of-way?

Response:

The process starts with the countywide and local area master plans. Both the Montgomery County Planning Department and the Montgomery County Department of Transportation often work with the State Highway Administration to plan for and implement changes to roadways controlled by the state. Many examples of such coordination include improvements to Rockville Pike in the White Flint Sector Plan area; Veirs Mill Road improvements; and a recent innovative pilot for dedicated bike lanes on University Boulevard, among others.

Conor Crimmins (TOK):

Much of AHS has been drafted to have the Pattern Book govern *how* AHS will be implemented, but a draft of the Pattern Book has not yet been made available to the public. When does Planning expect the Pattern Book to be released?

How much time and public outreach on the Pattern Book will be allowed prior to the AHS ZTA being introduced?

Response:

Planning staff have not actively started working on the pattern book yet. Background research on pattern books in other communities and a scope of services for consultant assistance are the only types of work that have been done to date.

If the County Council proceeds with the Planning Board's recommendations, Planning staff will commence work on the pattern book.

As with the AHS initiative itself and other planning efforts with similar scopes, the pattern book project will include significant community engagement opportunities during the various stages of development. As a working draft for the pattern book is created, staff will hold work sessions with the Planning Board, and community members and stakeholders will have an opportunity to testify and provide further feedback.

Rob Fox:

Are there any plans for trying to incentivize landowners to improve properties? Something that comes to mind is taxing value of land instead of the buildings to prevent disincentives to improving the property while keeping taxes stable by increasing the tax rate of the land itself.

Response:

As part of the AHS study, the Planning staff suggested several catalyst policies that may help assist the production of attainable housing typologies. Although these will not be formally part of the Planning Board's recommendations to the County Council, they will be identified in the final AHS report as tools the Council may want to explore. These include:

- 1. Property Tax Refunds.** *If a single-family homeowner or vacant lot owner converts their single-family home to a multiplex or adds multiple units on their single-family zoned lot, their property taxes for the unit that they occupy will be refunded by a factor associated with units added, for up to 10 years as long as the original owner occupies the unit.*
- 2. Conversion Assistance Toolkit.** *Staff believes that there may be some initial hesitancy on part of homeowners who wish to convert their Single-family homes or their single-family zoned lots, since any process that requires regulatory input can become daunting. A countywide multiagency team shall put together an 'Attainable Housing Conversion Assistance Toolkit' as a part of a new work program, which shall have the following information:*
- 3. Owner Occupied Conversion Loan Fund:** *Staff believes that it is important to address financial barriers that some homeowners may have while pursuing a conversion to the multiplex type. To that end, staff recommends exploring establishment of a loan fund with a one-time*

capitalization of \$5,000,000. Additionally, a project of this scale may require a substantial time commitment for a homeowner and access to credit may alleviate some of the concerns associated with this time commitment. Other municipalities are also exploring similar programs to address their housing needs. For instance, [Charleston's Department of Housing and Community Development](#) intends to provide grants for the creation of additional housing by single-family homeowners.

4. **Grant Program:** Staff also recommends exploring certain incentives that would apply to the communities that see a greater degree of growth in attainable housing types. All homeowners (single-family, apartments, and multiplex) in the three neighborhoods with the highest number of attainable housing types built should be eligible for the grant program.

Cary Lamari:

All [Thrive Montgomery 2050 ideas and recommendations are] subject to a secondary document called the Action Report which according to the PHED committee may not have elements approved for several years. However, the density may come to fruition immediately on the heels of Thrive passing.

Please explain the depth and breadth of considerations integrated within Thrive which is reliant on the Action report and explain please what the Action Report is.

And please speak to the interrelationship between the Action Report and Thrive

Response:

The "Actions" list is a separate, supplemental document that includes more detailed steps that may be taken to implement Thrive's recommendations. This Actions list is not designed to be exhaustive and finite; some of the actions will be modified and new actions will be added to the list as things changes over time and we acquire better tools to address yet unknown challenges. The actions list is not included in the Plan document because it was meant to be updated more frequently than the Plan itself. Including it in the Plan would have meant that the whole Plan will have to be amended every time we wanted to add or delete/modify an action.

The Council's PHED Committee has decided to take up the Actions list soon after the Plan is approved. The final Actions list will provide a more defined work program for Park and Planning as well as other agencies with a timeline of short, medium, and long-term actions and use it as an implementation guide.

The PHED Committee also wants to look at these actions in concert with the metrics (included in the Plan) after the Plan is finalized. The metrics are meant to tell us if we are moving in the right direction and measuring our progress both for what is being done but also for what is not being done. For example, the metrics "Range of home prices" and "Rates of homeownership by race, income, and area" will tell us one way to look at whether or not we are increasing affordability, and if there is any change in homeownership among the minority population. If the scores tell us a negative story then we will have to do something (change or add new actions, amend the Plan, etc.) about areas where our performance is lagging.

Regarding density, it is not given that “the density may come to fruition immediately on the heels of Thrive passing”. This is a statement that intentionally confuses the Thrive process with the Attainable Housing Strategies (AHS) process. As part of the AHS initiative, the Planning Board is studying a number of issues and making recommendations to the County Council on ways to create a more diverse set of housing types and to increase housing choice. The Planning Board’s recommendations on the AHS study will be transmitted to the County Council after the approval of Thrive Montgomery 2050. The Council will do additional analysis of the AHS study and will choose which, if any, options it wants to advance, and then hold public hearings and worksessions before taking any actions.

Karen Cordry:

Why can't you dictate those things [require duplexes and triplexes etc. to be for purchase instead of renting]? Because you don't have the laws now? Isn't that something that could simply be part of the zoning law change? That, in order to allow these upzoned projects, one unit at least would have to be affordable? Or that the owner would have to live there?

Response:

As part of the AHS study, the Planning Board has reviewed various options and details of size, height and setback, parking and other aspects of multiplexes in certain single-family zones, including how to make them more affordable.

For example, for projects that will be reviewed and approved by the Planning Board under the new Attainable Housing Optional Method (AHOM), the Planning Board is recommending a maximum average unit size. The most practical means of ensuring attainability is to establish a maximum average unit size across all unit types within a development project. The Planning Board recommended 1,500 SF as the maximum average unit size.

It is not legal to require in the zoning code that homes must be for sale and can never be rented. Please consider how owners of existing houses would feel if they were told in the zoning code that they could never rent their homes. We believe that it is neither practical nor desirable to dictate units to be for purchase only, or that the owner should live in one of the units.

Carla Steinborn:

Your own slides show that your plan is to put multi-unit structures by-right in single-family zoned neighborhoods. Well, that changes the definition of single-family zoning so that is no longer single-family. And the very first ZTA 20-07 is aimed at allowing this in R60 zones. So they will no longer be single-family. The zoning is changed. Your claim that Thrive does not change zoning is gaslighting. How is this supposed to produce trust from the public?

Response:

Planning Department has always stated that Thrive does not directly change zoning, but its recommendations are intended to influence future changes in zoning and other regulations that will prevent environmentally damaging practices and lead to more sustainable developments. Thrive

Montgomery 2050 states, "Implementation will require changes to the zoning code, the building code, the subdivision regulations, and the adequate public facilities ordinance. These laws, which are part of the Montgomery County Code, establish setbacks, maximum heights, and parking requirements; specify which uses are permitted by right or subject to discretionary review; govern lot shapes and sizes; provide for dedication of rights-of-way and contributions of space and funds for parks and schools; and set other development standards and conditions that must be aligned with the recommendations of this plan." (P. 133). These changes will be analyzed in greater detail by the Planning Department and reviewed by the Planning Board and the County Council with community input before they are finalized and approved by the County Council.

Many single-family zones already allow certain non-residential uses either by right or as conditional uses such as family and group day care, plant nursery, farming, farm market, Charitable and Philanthropic Institutions, hospitals, private schools, private clubs, religious institutions, and professional offices, among others. Similarly, certain single-family zones already allow, by right or as conditional uses, more than one unit per lot such as accessory dwelling units, duplexes, groups homes, senior living, residential care facilities, etc. Allowing duplexes or other types of multiplexes such as those being considered by the AHS study in residential zones will not change the fundamental nature of these residential zones that primarily consist of single-family detached houses.

Cary Lamari:

Also if you wouldn't mind talk about the Budget and management perspective of Thrive being too vague to estimate. It's cost however relays potentially over 50 Billion dollars if you extrapolate the 32 identified activity centers and how would our County pay for such an impressive and aggressive list of projects

Response:

First, being a general plan, it is not realistic to assess the full cost of implementing Thrive over the next 30 years without more detailed studies to define the scope of improvements (how many bridges will need to be raised to address increased flooding, for example). Second, even if we make some assumptions and come up with our best guess, it is hard to say that this Plan will be more costly than continuing the current path that does not adequately prepare us for the future.

The real question is the cost of following this Plan's recommendations vs continuing with the current pattern of development. Even if we don't adopt this Plan, we will need to accommodate another 200,000 people by 2045 and need to address the impacts of future disruptions such as climate change (those bridges will need to be rebuilt with or without this Plan), not to mention the costs related to the public health, housing affordability, and social and environmental justice issues. Whatever the cost of this Plan, not doing anything will be far costlier.

While public service cost savings related to compact development versus sprawl are difficult to quantify and generalize with utmost certainty because of the complexity of the factors involved, two comprehensive analyses into this issue find that almost all high-quality studies comparing the infrastructure and service costs of sprawling development to those of compact urbanism demonstrate

that compact urbanism is less burdensome on public coffers^{1,2}. One of the most comprehensive of these studies examined actual infrastructure expenditures of 283 counties over a ten-year period³. It found that compactly developed counties spent less than sprawling counties (proportional to size and property values) on total direct infrastructure costs and capital facilities, as well as several subcategories of infrastructure and services including roads, trash collection, police, fire, parks and recreation, education, and libraries. Another 2019 study that similarly identifies a reduction in per capita spending for compact counties notes, "If the goal of state and local policymakers is to reduce the fiscal cost of sprawl...adopting policies that reduce potential for inefficient development on the urban fringe would be fruitful⁴." A study by the Victoria Transport Policy Institute notes that in addition to lowering costs, compact development also tends to increase municipal revenues, strengthening the fiscal case for quality urbanism.⁵

Another common assertion that the residents, not the developers, will bear the cost of implementing this Plan seems arbitrary without any reasonable basis. Growth is the currency that pays for the infrastructure and public and private services and amenities that support Montgomery County's quality of life. Pursuant to the county's Adequate Public Facilities Ordinance, the Growth and Infrastructure Policy requires private developers to share the responsibility of investing in public schools and roads by paying impact taxes for both. Impact taxes are paid on the vast majority of development. The growth policy is updated every four years and adjusted as needed to make sure the new growth pays its appropriate share. For example, in the recent update to the Growth and Infrastructure Policy, developers were required to make Utilization Premium Payments -- on top of impact taxes -- if they are building in an area served by overcrowded schools. Likewise, developers are responsible for mitigating their transportation impacts whenever a project fails the county's multimodal local area transportation review tests. The developer must make the necessary transportation infrastructure improvements or pay a commensurate mitigation fee.

Cary Lamari:

Also what provisions are there in Thrive for Naturally Occurring Affordable Housing? It would help to see No Net Loss of NoAH.

Response:

One of the Thrive Montgomery 2050 recommendations states:

¹ Ewing, R., & Hamidi, S. (2015). Compactness versus sprawl: A review of recent evidence from the United States. *Journal of Planning Literature*, 30(4), 413-432.

² Litman, T. (2021). *Understanding smart growth savings*. Victoria Transport Policy Institute. https://www.vtppi.org/sg_save.pdf

³ Carruthers, J. I., & Ulfarsson, G. F. (2003). Urban sprawl and the cost of public services. *Environment and Planning B: Planning and Design*, 30(4), 503-522.

⁴ Goodman, C. B. (2019). The fiscal impacts of urban sprawl: Evidence from US county areas. *Public Budgeting & Finance*, 39(4), 3-27, p.18.

⁵ Litman, T. (2021). *Understanding smart growth savings*. Victoria Transport Policy Institute. https://www.vtppi.org/sg_save.pdf

“Promote racial and economic diversity and equity in housing in every neighborhood.

- *Refine regulatory tools and financial incentives with the goal of avoiding a net loss of market-rate and income-restricted affordable housing stock without erecting disincentives for the construction of additional units.” (p. 101)*

The Plan further states, “Preservation of natural-occurring and regulated existing affordable units will minimize gentrification and displacement as these communities see future investments in transit infrastructure, schools, and amenities. Building new affordable housing in existing amenity-rich neighborhoods will expand access to quality education for a wider range of students, leading to more integrated schools and helping close the achievement gap for people of color. Over time, these efforts will minimize de facto segregation based on income between school districts and encourage greater social mobility. Mixed- income housing in communities lagging investments will help mitigate the concentration of poverty and enhance access to amenities and recreational opportunities for current residents”. (P. 106)

“In assessing proposals related to the supply of housing and measuring the success or failure of the approaches recommended in this plan, relevant measures may include: ... Naturally Occurring Affordable Housing preserved, overall and by area of county.” (p. 109)

Cary Lamari:

Taxes do not go up immediately when the house is re-assessed, and the neighboring houses sell to developers for the purpose of redevelopment. Those sale prices will be the comparable to existing assessment costs and to clarify Your letter from the SDAT said it, may or may not increase taxes to nearby [properties].

The SDAT letter states:

*“If a property were to be redeveloped by plat and subdivide lots, or were to change in use to create a multi-family unit on the parcel, the immediate change would only directly impact that particular parcel. However, **if properties are acquired at lower or higher purchase prices over time and the comparable sales warrant a decrease or increase in the assessed value of those similar properties upon the next reassessment cycle**, it may indirectly impact the assessments for similar properties in that market area. (emphasis added)*

*In sum, the zoning code changes proposed by Montgomery County that are under consideration allowing for multiple living units or more development potential in single-family zones may or may not result in changed assessed value for properties **subject to that change**. SDAT can only follow the market trends **after they occur**.” (emphasis added)*

Montgomery Planning Staff also consulted with the Montgomery County’s Office of Management and Budget, which confirmed that the tax rates applied by the county to the assessed values of residential properties are based on the actual use, not the potential use as allowed by zoning.

Carla Steinborn:

Re Rob Fox comment that "single family homes being converted to higher density would make the remaining single family homes more valuable as there are fewer of them": Who is going to pay value price for a house that is next-door to several multiplexes with their backyards paved over and no enhancement of wastewater to account for the increased density?

Response:

It is an extreme exaggeration to say that Thrive will result in "a house that is next-door to several multiplexes with their backyards paved over and no enhancement of wastewater..." The current AHS study is exploring the options for allowing up to quadplexes by-right in R-40, R-60 and R-90 zones near and along major transit corridors in what is called the Priority Housing District. AHS is also recommending the creation of a new Optional Method of Development, the Attainable Housing Optional Method (AHOM) with additional standards and safeguards to prevent "backyards paved over and no enhancement of wastewater". Any such developments under the new AHOM will be reviewed and approved by the Planning Board with community input and will be significantly more environmentally resilient and sustainable than many of the current single-family neighborhood, which were built with no stormwater controls. The comment also assumes that building multiplexes in existing single-family neighborhoods will reduce the value of adjacent single-family houses, but there is no evidence to support this assertion. A townhouse development on the old Chelsea School site near downtown Silver Spring has not reduced, or prevented any increase, in the value of existing single-family houses across the street.

Ed Amatetti:

What is being said often makes intuitive sense. However, the experiential evidence in Minneapolis, CA, Portland, MA suggests other forces at work. In these areas developers have bought properties that are smaller in size, unsuitable for families, turning people into renters with the monthly payments going out of the jurisdictions bc the developers are from out of town. We have no safeguards that the same thing won't happen.

Response:

We have heard those stories also, but it is hard to ascertain the facts and confirm the actual cause and effect of what is happening in these places and how relevant they might be to what we are considering through Thrive. In Minneapolis, for example, which is often cited as having negative impacts from allowing duplexes and triplexes in single-family zones, according to one source, "the overhaul resulted in the new construction of just 16 duplexes and four triplexes in 2020, the first full year of the new zoning rules... 22 existing properties were also converted to duplexes and triplexes. Altogether, those "plexes" added about 70 new units of housing to a city of 420,000." <https://www.axios.com/local/twin-cities/2021/03/01/minneapolis-triplex-legalize-impact-little>

Although it is not clear without a full analysis how comparable the reported changes in other places are to what is being considered in Montgomery County, the recent research on the impacts of rezoning in Minneapolis can provide some useful insights to keep in mind as we explore changes to single-family zones in Montgomery County. However, these are complex issues and the difficulty of drawing reliable

conclusions from short-term data are reflected in an article published in the Journal of the American Planning Association about a study that “compares the prices of previously single-family-zoned houses in Minneapolis within 1-, 2-, and 3-kilometers of the city border with those houses within the same distances outside of the city border, and not subject to the change in regulation.” The article states:

“Across his 3-kilometer thresholds, the study finds that the plan's approval increased property sale values of Minneapolis homes by approximately three to five percent. Kuhlmann notes that this increase is to be expected, since greater development potential raises the immediate value of previously single-family properties, even though in the long-term it can encourage a broader housing supply, which can lower city-wide housing prices. Using additional model specifications, Kuhlmann then also finds that these price increases are larger in relatively inexpensive neighborhoods than expensive ones, and for properties that are small relative to the properties surrounding them.

While (very) early, Kuhlmann offers several implications of these findings for planners and housing advocates. First, they suggest that eliminating single-family zoning may indeed raise the values of previously single-family properties that now have greater development potential, which is a particularly important finding given that many communities resist eliminating single-family zoning over fears that new development will reduce their home values.

These findings also suggest that property owners in relatively inexpensive neighborhoods may see the greatest price increases, which can help lessen the gap between property values. However, the fact that developers are likely to target relatively inexpensive properties compared to properties around them may lead to a short-term reduction in the supply of relatively low-cost single-family housing—though it is too soon to tell if this reduction would outweigh the potential benefits that developing two or three units where there used to be one may have.”

<https://www.planning.org/blog/9219556/measuring-the-early-impact-of-eliminating-single-family-zoning-on-minneapolis-property-values/>

Regarding potential safeguards, it is often incorrectly assumed that no safeguards or standards will be considered when developing the detailed actions to implement Thrive's recommendation, which is contrary to what is being done in the AHS study and the history of zoning and master planning in Montgomery County. The incremental nature of such land use changes combined with the metrics proposed in Thrive to measure the progress of these changes should allow us ample warning and opportunity to make any tweaks needed to avoid negative impacts of such changes.