Montgomery County Civic Federation P.O. Box 1123 Bethesda, MD 20827 March 15, 2025

RE: HB 503/SB 430 Housing for Jobs Act

Dear Montgomery County Delegates and Senators:

I write on behalf of the Montgomery County Civic Federation, a 100-year-old umbrella organization of neighborhood civic associations with a membership representing over 30,000 households. We have serious concerns about the Housing for Jobs Act, as further described below. We urge you to amend the Bills before passage, to align the bill in line with existing community planning and zoning standards and authority and the Governor's stated intentions.

At the March 4 Committee hearing on the Bill, the Governor stated that the goal was to act

"...without heavy handed preemption... we are simply asking local partners to enforce planning and zoning ordinances that they have already adopted. It's not asking to take on additional options, it's just simply asking to take on and enforcing the planning and zoning ordinance that they have already adopted and that way we are ensuring the spirit of planning and zoning regulations that they already have in place."

The Governor seems to be seeking an atmosphere of certainty for developers, an atmosphere where existing rules are clear and will be followed. However, the text of the Bill reads differently from Governor Moore's description of its intent. The current text of the Bill appears to create a presumption that when a county is in a state established housing "deficit" any housing application must be granted unless a jurisdiction can prove with "clear and convincing evidence" both (i) that a denial fits into one of six very narrowly drawn exceptions, and further, (ii) that the "denial under one of the six exceptions" overrides the vague standard of "need for more housing." These narrow standards by their terms, as drafted, would preempt any other standards that a locality might have in place.

We urge you to amend the bill to add language that would conform the Bill to the Governor's stated intention--that nothing in the bill preempts or precludes a locality from following its own standards, regulations or rules at the local level in acting on an application for development. In addition, the Bill identifies the applicant -- developers -- as having the standing in a court case and doesn't mention the public. The current standard of "any aggrieved party" must be maintained as the basis for legal standing to contest development applications.

Overall, the Bill in its current form sets aside years of work done at the County level to develop standards for integrating affordable and multi-family housing into established neighborhoods, work that is ongoing. Further, the bill potentially overrides elements of the current standards and regulations such as environmental standards, stormwater management and other infrastructure requirements, compatibility with surrounding communities and many other factors required to be taken into consideration by our Planning Board and Council when considering development applications. It will require approval of some applications that would have been denied under current established standards, regulations or rules.

In our view, there is a significant question as to how the bill impacts the Montgomery County existing Growth and Infrastructure Policy (GIP). That policy requires adequate and funded infrastructure and public facilities to support developments. It is not clear that the County could enforce the GIP under the bill, as

those considerations mostly fall outside the strictly limited language of the Bill and the six limited exceptions. The bill allows denials of application only for inadequate school space or water and sewer and not the other considerations of the existing GIP.

The bill arbitrarily assigns Montgomery County a deficit of 33,000 units, ignoring the over 35,000 units currently in the pipeline, including the major developments approved at White Flint, Pike and Rose and Viva White Oak (to name just a few). The result would be to keep the County in a perpetual "deficit," because the total number of approvals needed (nearly 70,000 including the pipeline) far exceeds the Council of Governments targets and market analysis of projected demand. Developers will not build or even in most instances apply for approvals in excess of demand and the result will be Montgomery County stuck in "deficit" status indefinitely. If the units in the pipeline are excluded from the Bill's "deficit" calculation, the math fails to reflect the reality on the ground, and Montgomery County would never be able erase the "deficit" artificially imposed by the Bill.

We oppose the imposition of a rigid and questionable set of policies that supersede the local authority of counties and municipalities. We also note that HB 503/SB 430 does not address the greatest need in Montgomery County (and in others) -- the need for more affordable housing. The bill is highly unlikely to generate much affordable housing because it focuses on zoning rather than on what is really needed: jobs and economic development; tools to help finance (through subsidy or otherwise) the development of affordable housing; and measures to thwart the trend of investors buying single family homes, which reduces the supply of homes for sale to families and drives up costs.

Finally, both the State and localities are facing budget difficulties. Now is not the time to enact a bill with such sweeping impact throughout our State and County. We are facing unprecedented layoffs of federal employees, and it will take time to see the true the impact on housing and the economy. The State budget is severely challenged, and the State will not be in a position to provide needed funding for the infrastructure, transportation improvements, road improvements, and subsidies for affordable and workforce housing. Mandating a huge number of new approvals without any funding for needed infrastructure is neither equitable nor productive.

The bill is deeply flawed and must not be enacted in its current form.

Sincerely.

Cheryl Gannon, President Montgomery County Civic Federation

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