



WOODSIDE CIVIC ASSOCIATION

SILVER SPRING, MARYLAND 20910

March 12, 2021

Dear Chairman Anderson, Planning Board Members and Councilmembers,

As you know, the Silver Spring downtown sector plan study has been underway for nearly a year. The Missing Middle market report that Planning Board staff provided last week raises significant new questions and concerns.

The Study indicates that the areas being examined for missing middle opportunity sites are limited to the residential blocks adjacent to the downtown area – excluding the downtown area. Excluding downtown Silver Spring (the bulk of the sector study area) from consideration for siting missing middle housing shifts the weight of the process to the small residential areas outside of downtown. This is both unfair and substantively mistaken. Asking adjacent residential streets to absorb the entirety of the perceived need while excluding from the analysis promising larger areas in the downtown core is self-defeating.

The Study recites that Planning Board staff interviewed a short list of developers and realtors about their experiences in missing middle housing. The developers have said that nothing will likely be built without large parcels—4-5 acres along with relaxed development standards. Woodside contains two promising parcels for missing middle development-- the HHP site on Georgia Ave and the Purple Line station site. We endorse the idea of affordable housing on these sites. The area in Woodside marked for missing middle ignores those parcels. Instead, historic homes and 100-year-old bungalows with high acquisition costs are targeted. Focusing on the residential blocks as opposed to the HHP and Purple Line sites makes assemblages of 4-5 acres with teardowns for moderate to high density development inevitable. The Planning staff previously identified a number of opportunity sites for missing middle housing in downtown Silver Spring. The choice to forego these downtown sites -- which would more likely produce the needed space for these housing types-- creates an artificial need to assemble multiple lots and tear down multiple houses in Woodside.

The stated goal of Missing Middle housing is to promote racial and economic equity by improving housing affordability for more people. The developers and realtors consulted by Planning Board staff report that only moderate and high-density townhomes would be feasible. The Planning staff estimates that the price tag for a moderate density townhome would be \$855k, and \$712k for a high-density townhome. These prices are flatly beyond the reach of many County residents. Worse still, the statement made at the Board discussion that requiring MPDUs in small missing middle housing projects is not feasible makes plain the predictable failure to improve racial equity or affordability. Forty-six percent of single-family homes in Woodside are valued at less than the \$712k estimated price of a new Missing Middle townhouse. The predictable consequence of the proposed rezoning is targeting for redevelopment the least expensive single-family homes in Woodside, thus reducing the supply of houses that are more affordable than the proposed Missing Middle townhouses.

The Planning Board staff has based their plans on a fear that there will be a wave of single-family homes that are torn down and replaced with large single-family homes. This perspective has been reinforced by comments from members of the Planning Board. Contrary to the canard espoused by some Planning Board members, Woodside does not have a problem with 'tear downs' leading to mansions being built. In the past 20 years, one single family home in Woodside has been torn down.

The house had been empty for years, had a mold contamination problem and was not habitable. The replacement house is only a few hundred square feet larger than the original house.

The Planning Board report states that Missing Middle housing already exists in downtown Silver Spring, including Woodside, in the form of duplexes, triplexes, and small apartment buildings located on the edge of the CBD and in the adjacent neighborhoods. The report fails to mention that 27% of the existing homes in Woodside are Missing Middle townhomes and that this number will increase significantly without any rezoning when (1) the area near the Woodside Purple line stop is developed and (2) the HHP building site on Georgia Avenue, which has been rezoned, is redeveloped.

At what point will the definition of missing middle housing be meaningless with regard to the contemplated zoning changes? The major takeaways from the developer interviews were 1) the typologies for which there is demand are not likely to put a meaningful dent in housing demand as a whole, and 2) the Planning Board is contemplating "bolder" action. Per staff, redevelopment will require a substantial increase in the amount/intensity of existing building area. If so, this conversation needs clarity in that we are talking about significant new development and gentle density is not actually the goal. According to the Study, the townhouses identified as most likely need a bigger footprint and would not fit into the current building envelope for R-60 lots, and the development standards would all need to be increased. The result would be that these townhouses would be incompatible with the existing single-family homes.

The pandemic has caused low inventory in communities across the country, and analysts agree that it is too early to tell whether housing patterns will persist or return to normal. The staff's reliance on 2020 inventory numbers as a prediction for the future is an error. The shifts in the market due to the pandemic are more than sufficient reason to pause this process until it becomes clear as to whether preferences for suburban vs urban living, or denser living spaces, will shift or remain the same and what effect these dynamics will have on the housing market.

We are deeply concerned with Report's observations that downtown Silver Spring faces an alarmingly high office vacancy rate, among other trouble signals—problems which threaten to undermine the economic vibrancy of the area. The Planning Board and the Council should prioritize economic and housing development in the downtown core. The current instability of downtown Silver Spring indicates broader policy failures beyond the pandemic. Promoting the adaptive reuse of downtown commercial space for housing and restoring the economic stability of the downtown core must be a priority. The Civic Association strongly objects to using a thriving neighborhood such as Woodside, that is a model of diversity of housing types at different price points, as an experiment in upzoning when there is clear evidence that the result will be loss of the most affordable homes.

We agree that housing affordability is a major problem in Montgomery County and Woodside wants to be part of the solution. The study clarifies that small scale action - "lower Missing Middle Housing" is not economically viable in the annexation zone. Large scale development of "upper missing middle housing" cannot be implemented in the annexation zone without wholesale demolition and land assemblage which we will not support. Let's work together to promote ADUs in our neighborhood as a gentle way of increasing lower cost rental units. Let's also work together on a residential project at the HOC site between Georgia and 1st Ave. and on projects at the 7 former single-family homes between Spring and Fenwick, in an area which is part of the historic boundaries of our neighborhood.

Sincerely,

Bill Scanlan
President
Woodside Civic Association