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December 14, 2021

Montgomery County Council Council Office Building 100 Maryland Avenue, 6th Floor Rockville, MD 20850

Dear President Albornoz and Members of the County Council,

We support many of the principles of Thrive, including its call for inclusive, socially connected, and walkable communities and for environmental sustainability and resiliency. We also support its general objective of encouraging higher density development along transit corridors and activity centers around the County. Achieving this objective will offer significant benefits to County residents.

However, before the County Council approves Thrive, which will form the policy and legal foundation for long-term and large-scale community development and redevelopment, we submit for your consideration the following comments and recommendations along with our endorsement for one particular principle of urbanism concerning parks.

#### 1. Reinstate Chapter on Economic Competitiveness

Our County faces an enduring and increasingly severe financial strain. We must find ways of attracting new and better paying jobs to the County, to afford both the growing level of services our residents need, and the infrastructure projects called for in Thrive. Thrive recognizes the magnitude of this problem by including economic competitiveness as one of only three overarching objectives in the plan. The introduction presents a highly concerning set of facts, demonstrating how Montgomery County has fallen behind other counties in our region in job creation and has suffered a decline in household income over the past 15 years. We are not on a sustainable path.

Instead of confronting this crisis, the authors of Thrive deleted a chapter on economic competitiveness that had been in an initial draft. We now read statements about the County's potential to attract employers, the County's need to strengthen its "economic competitiveness by creating the kinds of places where people with diverse choices want to live and work." (p. 7), and "Major employers are looking for amenity rich walkable areas near transit." (p. 24). While such statements have merit, they neither comprise the comprehensive strategy our County requires nor

appear particularly compelling. Notably, rapid job growth is evident in many areas of Northern Virginia that are not in or adjacent to complete communities.

We encourage the County Council to hold a hearing on how best to integrate economic competitiveness back into Thrive and to invite the Montgomery County Economic Development Corporation to testify and submit comments on the document. Montgomery County residents deserve a more comprehensive discussion of the interrelationship between economic development and planning for our future growth. For example, as the December 2020 Planning Department Report on White Flint determined, developers will not build housing there unless there are jobs in the area.

Also, a 2019 Brookings Institute <u>paper</u> points out the additional elements required to attract new jobs: Innovative companies favor mixed-use downtowns and *innovation districts where research institutions, advanced industry firms, and entrepreneurs cluster and connect*. (Emphasis added). Thrive should include a specific vision for how the county can build on existing economic strengths (e.g., biotech, hospitality, federal government), create an environment for innovation and entrepreneurship, promote more job training programs, and compete given increased telecommuting opportunities and increased office and retail space vacancy rates. Taxes, regulations, the ability to deliver needed infrastructure, and other factors should be considered as well.

Other jurisdictions, including Prince George's County, Frederick County, Anne Arundel County, and Fairfax County, have seen the wisdom of integrating planning and economic development in their general plans. Indeed, even Montgomery County's 1993 General Plan Refinement had an employment/economic activity chapter. Therefore, we ask the County Council to reinstate and update the chapter on economic competitiveness.

#### 2. Use Master & Sector Planning Processes

The current draft of Thrive does not discuss how recommended policies will be implemented, and several Councilmembers have expressed the view that the ways and means of undertaking any land use changes should be considered only as a subsequent matter. We are concerned with this position. We agree that Thrive will serve as a policy guide, but the document should state, as the original version of Thrive did, "Many of Thrive Montgomery 2050's recommendations cannot be implemented with a one-size-fits-all approach. Area master plans will help refine Thrive Montgomery 2050 recommendations and implement them at a scale tailored to specific neighborhoods." Previous substantive changes to zoning have occurred through this established process.

The master and sector planning processes help ensure that essential and accurate analyses of attainable and affordable housing prospects, concentrated infrastructure capacity studies and investments, improved stormwater regulations to manage increased residential density, targeted economic development strategies, and tax changes are integrated and comprehensive. This raises confidence in the success of the proposed changes, permits more localized flexibility and appropriate development, and provides the means to secure local support for the proposed changes. Thrive should state the importance of continuing to use this vital process that has

served the County well and earned the confidence of residents as the fair and reasoned way to make zoning changes.

# 3. Promote Market-Rate Affordable Housing In More Locations

The original draft of Thrive extolled urbanism as the means to move the County away from carcentric to people-centric living. The current draft purports that applying the principles of urbanism also will address issues of racial disparities in home ownership, neighborhood equity, and affordable housing. We are concerned that too much is being expected from the promotion of this one vision. In particular, Thrive fails to account for the high cost of land and construction for in-fill development in urban areas. How will the County achieve the increase in market-rate housing that can be afforded by "a broad swath of County residents" (p. 62)? Thrive asks in every chapter, *what problem are we trying to solve?* In our view, increasing the supply of market rate affordable housing requires building more housing in many parts of the County. This will include building in areas of existing high density but also in areas where land is less expensive and construction costs more moderate - such as less urban areas.

In making this statement, we are not opposed to identifying a Corridor-Focused Growth Area, since even that area includes considerable property that is not particularly urban. But we do not foresee that "complete communities," as Thrive defines that concept, will be the location for much of the market-rate, broadly affordable housing needed. We suggest that Thrive consider the development of affordable housing in both the Focused and Limited Growth Areas, with the view that the County should also encourage CR development in non-urban areas -- development that will bring some services closer to where this housing is and will be located. This concept is hinted at on p. 32 but should be explored more fully.

# 4. "Housing for All: More of Everything." But Let us Not Denigrate Suburbia

Thrive offers recurring praise for compact development that supports "dense, vibrant and energized" communities. Thrive states that if we build more housing near "high quality transit corridors" we can provide housing that will keep the most productive workers in the County." (p. 66). Other goals include increasing the number of County residents that bike and walk and reducing reliance on cars. Meanwhile, suburban living is implicitly criticized: "The desire of property owners to maximize the value of their land led to more development in outlying areas... with a proliferation of garden apartments and townhouses...The absence of tighter limits allowed development to disperse..." (p. 17).

However, suburban homes - both multi-family and single family - are a material component of the County's stock of attainable middle-income housing and offer a lifestyle desired by many families. These communities can also offer social connectivity, inclusiveness, and walkability but at a different scale than downtown, high-density areas. Thrive can state that there is an unmet need for more housing in urban areas; but there is no need to imply that suburban living is a mistake, undesirable – or where *less* productive workers live!

Thrive also builds a case that the County has too much single-family housing and that a material shortage exists in the provision of smaller units. Thrive states on p. 58, that "the percentage of

households consisting of one person has risen from 7% in 1960 to 25% in 2019, and that this has led to a housing "gap." But is this so? When one looks closely at the table of family composition, shown on p. 59, it is apparent that the percentages in the different categories have not shifted materially in the 30 years since 1990. Over this period, the percentage of people living alone has grown only from 21% to 25%, and the percentage of families with children has shrunk by only a few percentage points. As a result, the purported mismatch of housing types todemand does not appear to be as serious an issue as the text suggests.

In addition, Thrive shows no awareness of how the work/home life paradigm is rapidly shifting. Looking ahead, we should expect that a family with children, with working (productive) parents based at home and therefore, in need of home office space, might choose a more suburban housing option where they can afford more space. And the environmental consequence of this choice may not be so detrimental if they only need to commute intermittently to an office in an electric vehicle or ride share.

Given these considerations, we suggest a reset of the tone of the document: The County should strive to meet the needs of its residents and of residents it wishes to attract, whatever choice in housing they decide to make. We should support additional housing in urban areas without denigrating suburban developments where families may find the right mixture of amenities that they want at a price they can afford.

#### 5. Improve Infrastructure When Increasing Housing Density

Thrive should state that infrastructure improvements need to be undertaken commensurate with any zoning changes (i.e., through a master or sector plan) to increase housing density. Thrive should include calls for infrastructure improvements to meet added demands placed by infill development on water/sewer lines, electrical lines, high-speed communications, stormwater capacity, and other critical infrastructure needs for communities. Currently, such improvements are required for large developments but not for infill development that typically impacts one lot at a time. Thrive advocates for substantial additional density in the High Growth Area. While individual projects that might fulfill Thrive's vision may or may not be large, there must be an understanding of the cumulative impact of such developments, and the corresponding demands made on infrastructure. The plan needs to address this. In addition, Thrive should be integrated with the Climate Action Plan (CAP) so that infrastructure improvements meet climate change challenges.

#### 6. Develop a More Imaginative Transportation Approach

Thrive should include a broader, more realistic, and more imaginative transportation approach beyond wider sidewalks, more bike lanes, and BRT. Some important questions should be addressed: How will mass transit-centric transportation be staged both in terms of development timelines and service coverage areas (i.e., given the high cost of constructing and maintaining transit and limited funds)? To what extent will ride sharing provide home to office transportation that will be faster than mass transit? In addressing these questions, Thrive should set out strategies for how the County will flexibly plan for traffic and technology advancements, account for transportation needs that support all the land uses in the County, and accommodate the needs of different population groups that cannot use public transit, including the elderly, disabled, and young families. Also, as indicated in the County MDOT's response letter about Thrive, coordination with MDOT will be essential to implementing Thrive along with the recognition that most county residents and visitors will continue to use their cars.

### 7. Reinstate Chapter on Environmental Resiliency

Given the vital importance of improving environmental resiliency, we believe that there should be a stand-alone chapter in Thrive on this topic. This would provide the means to treat all key environmental topics holistically and set out how they may relate to and reinforce each other, instead of leaving the reader with the task of piecing together disparate comments through the text. And it would encourage consistent treatment of such issues as increasing the use of clean energy, promoting green buildings, the need for climate adaptation, and improving climate governance. A separate chapter also could set out energy efficiency recommendations for all new commercial and residential buildings. We also encourage providing current watershed and water quality maps, instead of referencing a Water Resources Functional Plan that was written 10 years ago before we began to experience the increasing severity and frequency of storms.

# 8. Require Five-Year Reviews of Thrive

Thrive would benefit from acknowledging the inherent uncertainty of making plans: facts and circumstances change, sometimes abruptly. Would anyone have imagined that the trend to remote work would accelerate as it has due to the pandemic? Therefore, Thrive should be reviewed and updated every five years. Such revisions would permit the systemic analysis of data that Thrive asks to be collected at the end of each chapter and would allow consideration of other factors, such as the state of the County's finances and the pace of economic development and job creation.

This periodic review should be countywide and comprehensive, including input from a broad number of agencies as well as documentation on the changes through a number of critical success factors: economic growth, development and competitiveness; multi-family versus single-family housing demand and supply; public revenue; transit, and ride-sharing use; vehicle miles traveled; housing affordability metrics; adequate public facility impacts; and environmental factors such as stormwater management efficacy. Such a review should lead to recommendations for adjustments to Thrive to achieve critical County goals.

#### We Applaud Thrive's Support for Urban Parks

Before closing, we would like to state our strong support for language in the section on parks and recreation, where Thrive recognizes the vital contribution made by urban parks to the success of complete communities. We support this principle with our wallet as well as voice. The Town of Chevy Chase has authorized contributing up to \$4 million to the creation of two new parks in Bethesda, connected to the redevelopment of the Farm Women's Market. This is an example of an innovative public-private partnership, involving the County, the Town, and the developers (The Bernstein Management Corporation and EYA). It is also an example of the partnership value that municipalities such as ours could bring to Thrive. We look forward to collaborating

with our partners to realize this development and turn into reality a vital component of the vision set out in Thrive and in the Bethesda Downtown Plan.

Thank you for the opportunity to express our concerns and recommendations regarding the Thrive general plan and our hopes for the success of our County. We are always available should you like to speak further.

Sincerely,

Bany Runk

Barney Rush Mayor