

Thank you. I am Maury Mechanick, and I serve on the Council for the Village of North Chevy Chase. In addition to this oral testimony, in which I will address some big picture issues, the Village has also submitted written comments for the record addressing more specific aspects of the Workforce/More Housing N.O.W. proposal.

The Workforce/More Housing N.O.W. proposal is a significant improvement over the prior Attainable Housing Strategy Initiative (AHSI) that had previously been put forward by the Planning Board. Credit to the Council for having heard and listened to the concerns that had been raised about the AHSI.

While the underlying objectives of More Housing N.O.W. proposal are laudable, unfortunately, a number of questions still remain, as to whether it will actually accomplish the purpose for which it is being proposed, as well as raising serious concerns regarding potential adverse impacts on those communities directly affected, one of which being the Village of North Chevy Chase.

First, tension remains between two different objectives of the proposal – is the objective to provide for increased opportunities for home ownership throughout the County at more affordable levels or is it to provide for more affordably priced residential units (but which would primarily be rental units). These are not necessarily compatible objectives and it remains unclear what the true objective is.

Second, a key assumption underling the proposal is that all targeted “corridors” in the county are functionally identical in nature. There may be parts of the county where the proposal may be feasible to implement and achieve the desired results, but there are other parts where that is unlikely to occur. No account is taken of different infrastructure conditions that may vary from one part of the County to another (including school availability, condition of adjacent roadways, sewage and storm water management capabilities, available power grid etc.), each of which can impact the ability to successfully implement the proposal. And with respect to lower Connecticut Avenue, within 3 to 4 miles north of Chevy Chase Circle, the proposal indiscriminately cuts across at least seven separately incorporated municipalities, one of which is the Village of North Chevy Chase, which is not the case anywhere else in the County.

Indeed, instead of achieving truly meaningful opportunities for increased workforce housing, what will most likely happen in certain parts of the County, such as lower Connecticut Avenue, is:

- a decrease in residential home ownership, replaced by residential rental units for which the true beneficiary will be the corporate interests that would wind up owning them(either duplexes, triplexes or, in most cases, small apartment buildings). As has been demonstrated in other communities around the country, that corporate ownership, frequently provided by private equity firms, will be accompanied by a slew of new problems, including uncertain management practices, exposure to greater market risk from possible bankruptcies, and a fundamental alternation of the dynamics

of municipal governance in the affected areas from meeting the needs of individual residential owners to dealing with absentee corporate management companies. I would add this is that these are the same corporate interests that will be the beneficiary of an exceedingly generous tax relief from other parts of this initiative falling outside the specific scope of ZTA-25-2.

- a marginal at best increase in workforce housing accompanied by a further unnecessary significant expansion of market priced rental units at locations where there is no need for such development.

The ultimate effect, if the actual expectations are realized, would be to convert lower Connecticut Avenue in Montgomery County into a replica of upper Connecticut Avenue in the District, which is of questionable desirability. Moreover, given the major disruptions and uncertainty now on the horizon from actions being taken by the Trump administration, it is questionable whether this is even the time to be pursuing major changes in countywide residential housing strategy.

These concerns notwithstanding, if the proposal is adopted, it is absolutely essential that there be a precise identification of the properties to which it would apply and the specific circumstances in which the Optional Method Workforce Housing procedures could be utilized. This is still not clear, as all we currently have is an interactive map that may or may not be completely accurate. There is also uncertainty as to whether those procedures could be utilized for properties adjacent to or abutting covered properties. Failure to provide absolute clarity on these matters will leave open the opportunity for after the fact gamesmanship that could significantly expand the scope of the program beyond what I believe is intended.

In conclusion, the housing issues facing MoCo are serious and complex and deserve more than adoption of an overly simplistic, one-size fits all approach. A lot more thought and fine tuning is still necessary to achieve meaningful results.

Thank you.