Item 7 - Correspondence

MCP-Chair

Sartori, Jason; Baek, Hye-Soo; Graye, Eric; Wright, Gwen; Tom Natelli; Michael Natelli; kdavisson@natelli.com; Sears, Barbara A. County Growth Policy Recommendation to Eliminate MPDU Impact Tax Exemption in the Greenfield Impact Are

County Growth Policy Recommenda Tuesday, July 7, 2020 5:49:41 PM imaqe001.pnq imaqe002.pnq imaqe003.pnq imaqe004.pnq imaqe005.pnq

We appreciate the efforts of staff and the Planning Board last Thursday in recommending a solution for the high school moratorium issue in the Greenfield Impact Area for consideration by the County Council. Unfortunately, there is another recommendation in the Draft County Growth Policies ("Draft CGP") that threatens the long pending Ashford Woods project in Clarksburg.

This one concerns the affordable housing exemption from impact taxes when 25% MPDUs are provided. The Draft CGP at page 85 recommends that the exemption not apply in Greenfield Impact Area. As this Area encompasses Clarksburg where Ashford Woods in located, this change in the law if enacted in its proposed form would not permit the exemption to be used for Ashford Woods. Ashford Woods proposes 25% MPDUs.

As discussed last week, the property as a housing resource fully complies with the many constraints of the 2014 Clarksburg Master Plan Amendment and Environmental Overlay Zones and fulfills the adopted policies of Montgomery County as intended. The fact that the community provides 25% MPDUs offering a housing choice to people at price points not available in other parts of the County and encourages diversity is a very good thing that we believe staff has promoted throughout our review process and the Planning Board endorses as an important planning goal in the County. The economic feasibility and community design of the project have relied throughout the purchase and review process on Natelli Communities including the 25% MPDUs and the resulting ability to use this exemption. A doubling of the MPDUs not only yields an important public benefit (producing 91 MPDUs) but assists in offsetting a number of costly infrastructure improvements and other public benefits that are being required of or proposed by the project. These include such elements as a pump station, access improvements, contributions toward a master planned bike path and bikeable shoulders along Md. 355, substantial park and roadway dedications, amenity features and several other unique development elements pertaining to the Environmental Overlay Zones and Special Protection Area.

The current recommended transition period for this proposed impact tax law amendment provides that the changes must apply to projects that receive site plan approval after the effective date of the change to the impact tax law (see Appendix at p. 121). Staff points out that the last amendment was not made effective until March 1 (here 2021). However, this project is dealing with a moratorium for which relief is potentially to be provided in the 2020 County Growth Policy. This relief will likely not be effective until January 1, 2021, and hence the Ashford Woods preliminary plan not acted on until after that date. Therefore, it is not feasible that a site plan for the project will be approved by February 1, 2021. It is also noted that the effective dates are uncertain and will not be known until November.

Therefore, for the above reasons, we would ask that the Board not eliminate the use of the exemption in the Greenfield Impact Area and continue its use in this area as currently allowed. However, if the Planning Board decides to include the elimination of the exemption in the Greenfield Impact Area in its recommended 2020 CGP, we request that the Planning Board recommend that the change in the impact tax law provide that any project for which a concept plan, initial sketch plan or preliminary plan has been submitted or filed may proceed under the law as it existed prior to the effective date of the change. We have exchanged emails with staff on these issues in hopes that a solution can be found when the Board discusses the exemption on Thursday.

Thank you very much for your consideration. We would be happy to answer any questions you may have.

Barbara Sears

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