



Takoma Park City Council Meeting – June 12, 2019 Agenda Item 4

Work Session

Housing and Economic Development Strategic Plan Update

Recommended Council Action

Provide feedback to staff for July discussion and voting session on the Housing and Economic Development Strategic Plan

Context with Key Issues

This is a continuation of a series of work session discussions held by the Council, the last of which was on January 16, 2019. The primary focus of this discussion is to finalize the goals and objectives presented to the Council, identify implementation options, and refine suggested benchmarks.

The City Council authorized the development of a strategic plan for the purpose of ensuring that a “range of safe, quality, and stable housing options are available for residents of varying incomes” and “to attract new businesses to the community and prepare for economic development within the City and the region.” Utilizing the expertise of a strategic planning consultant firm and with the valuable input from the City Council and community, the Department of Housing and Community Development developed a draft Housing and Economic Development Strategic Plan. The recommendations identified in the Draft Strategic Plan include efforts to increase economic development capacity, encourage business retention and expansion, and stimulate the construction of new moderate and higher density infill development and mixed-use residential development. Additionally, the plan supports policies that further goals and objectives for workforce development, financial literacy, and entrepreneurship cultivation. By encouraging the preservation and development of a diverse range of quality housing that is affordable across all income levels, the City will work toward achieving its objective of creating a higher quality of life for current and future residents.

The latest document reflects input provided by the Council to date.

Council Priorities

Housing

A Livable Community for All: maintaining a livable community for all residents that is comprised of safe, quality, stable housing options and is inclusive of individuals and families with varying incomes.

Economic Development

Community Development for an Improved & Equitable Quality of Life: Community development that will foster an improved and equitable quality of life for all residents. The Council’s goal is to plan and prepare for development in the City and region that maintains its diversity and character.

Environmental Considerations

We believe the recommendations included in the draft Housing and Economic Development Strategic Plan, once finalized and adopted by the Council, will present the City with opportunities to improve the environment, create energy savings, and improve water quality. We are also cognizant of the interest and need to minimize transportation distances to goods and services and to reduce greenhouse gas emission and will analyze how the strategic plan can encourage the use of cleaner modes of transportation including public transit, biking, and walking.

Fiscal Considerations

Many of the costs associated with the implementation of the strategic plan were considered during the FY20 budget process. We anticipate that the Department will be able to supplement existing appropriations through applications to county, state, and federal grants and other relevant funding. These efforts are needed for the City to build a strong economic base, preserve existing housing, create housing affordability for prospective residents, and strengthen existing policies.

Racial Equity Considerations

The Department of Housing and Community Development is committed to the development and implementation of the Housing and Economic Development Strategic Plan and has identified and acknowledged the need to address ongoing racial inequities. Further, there is a commitment to embed matters of racial equity in the plan's structure, staff analysis, and decision-making.

The City of Takoma Park is a culturally diverse community and because of our commitment to racial equity, we are working strategically and collaboratively to build pathways that will increase participation and leadership from diverse constituencies in our City, amplify the voices of diverse participants, and build a racial equity lens into our strategic planning and implementation work under the strategic plan. Additionally, we recognize the need for adaptation as we encounter different perspectives and additional information.

We believe the recommendations included in the draft Strategic Plan, once finalized and adopted by the Council, will identify opportunities that will positively impact all residents and especially people of color, including immigrants and refugees.

Attachments and Links

- HCD Executive Summary
- [Project Page: Housing and Community Development](#)
- [Housing & Economic Development Strategic Plan Recommendations \(March 13, 2019\)](#)
- [Presentation: Housing and Economic Development Strategic Plan \(January 16, 2019\)](#)
- [Draft Strategic Plan \(October 15, 2017\)](#)
- [Presentation: Vision Statement, Goals, Strategy, and Objectives \(October 29, 2018\)](#)
- [Presentation: Vision Statement, Goals, Strategy, and Objectives \(October 17, 2018\)](#)
- [Presentation: Overview of Housing Recommendations \(October 3, 2018\)](#)
- [Presentation: Housing Overview Mullin & Lonergan \(February 26, 2018\)](#)

EXECUTIVE SUMMARY

Housing and Economic Development Strategic Plan

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

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June 12, 2019

Overview

In 2016, Takoma Park's City Council authorized the development of a community-wide strategic plan which reaffirmed their commitment to the preservation and development of a range of safe, high quality, and stable housing options for residents with varying incomes. The Council also reaffirmed their ongoing interest in advancing the City's economic development efforts. Consistent with significant achievable priorities adopted by the Council, the strategic planning process was designed to create a "livable community for all". These guiding principles support the following ideals.

A community that protects the rights of all people; embraces and provides opportunities to people of all ages, races, ethnicities, citizenship status, abilities, gender identifies, and sexual orientation; maintains and enhances the physical characteristics of its residential and commercial neighborhoods; and is safe, sustainable, accessible, and affordable across socioeconomic groups.

In this process, the City Council and Housing and Community Development staff engaged the services of experienced consultants, community members, and key stakeholders to shape the direction of these efforts. Following the Council's most recent retreat, two top priorities were identified as action items for the Fiscal Year 2020. They are housing and economic development and have a clear objective to:

1. Ensure the City has a range of safe, quality, and stable housing options that are affordable for residents of varying incomes and all races and ethnicities; and
2. Plan and prepare for development in the City and region while maintaining the special character and diversity of Takoma Park.

There have been a series of work session discussions scheduled by the Council, the last of which was on March 13, 2019, to discuss the objectives, goals, and recommendations for the strategic plan. Once approved, the plan will provide a framework to preserve, retain, and expand existing housing and economic development infrastructure, build upon the community's existing strengths, and identify opportunities to increase the City's capacity to serve current and future residents and businesses.

The Washington D.C. Metropolitan Area is one of the most competitive and costly housing markets in the United States. Extremely low-income households make up nearly 25% of the renters in the state. In Montgomery County participants in the rental market experience challenges in obtaining and retaining affordable housing. Further, recent studies show that the state is facing a significant housing shortage for affordable and accessible rental apartments leaving those who are most vulnerable, including seniors and individuals with disabilities, in jeopardy.

A significant number of residential rental units are preserved in the City through the rent stabilization program and other state and federal housing subsidies including tax credits. This strategic plan provides an opportunity for the City to strengthen existing programs and identify prospective projects to expand housing options beyond low-income households.

The draft strategic plan also offers the City with an opportunity to focus on specific and significant economic development goals. The development of the Purple Line light rail system and the state designated Opportunity and Enterprise zones represents a chance for the City and surrounding jurisdictions to stimulate interest from new business development and to analyze potential growth from existing businesses. In addition, the plan anticipates a growing need for workforce housing and access to workforce training in expanding industries and trades.

The goals, objectives, and recommendations suggested in this report and those adopted in the Department's implementation plan reflect the City's current and future needs in the area of housing and economic development. Further, they also include an analysis of the positive and negative impact of growth in the region and more importantly in the City of Takoma Park.

Strategic Plan Goals and Objectives

Economic Development

Promotion of economic well-being and quality of life by creating, retaining, and expanding jobs that facilitate growth, enhancing resources, and providing a stable tax base.

Objectives:

- *Increase in Economic Development Capacity*
- *Encourage Business Retention and Expansion*
- *Cultivate Entrepreneurship*
- *Build Workforce Development through access to training and certification programs.*
- *Business Attraction*
- *Preserve and Expand Housing*

Housing

To ensure that a range of safe, quality, affordable, and stable options and opportunities that meet the needs of all people are available in neighborhoods throughout the community.

Objectives:

- Ensure homeownership and rental opportunities are available in welcoming character-rich, walkable and bikeable neighborhoods.
- Maintain the long-term affordability and physical condition of existing housing.
- Advocate for local, state, and federal policies, legislation, and regulations that support the City's housing objectives.
- Encourage the construction of new moderate and high-density infill development and mixed-use residential redevelopment.

- Offer a variety of housing across the affordability spectrum that will attract diverse demographic groups.

Planning

To provide the critical foundation and context that supports the progress of the housing and economic development work.

Objectives:

- Ensure diverse residential and commercial opportunities are available in neighborhoods with good public amenities and transit options.
- Advance clear, equitable, predictable processes for residential and commercial development.

Recommendations: Economic Development

- Increase in Economic Development Capacity
 - Establish an Economic Development Unit
 - Build strong, collaborative partnerships with neighboring jurisdictions to leverage collective strengths for the development of the New Hampshire Avenue corridor.
- Business Retention and Expansion
 - Large Scale Campaign to Business Community
- Entrepreneurship and Small Business
 - Create spaces to start
 - Expand knowledge of financial options
 - Business and City familiarization
- Workforce Development
 - Increase access to training opportunities
- Business Attraction
 - Infrastructure improvements to the pedestrian, bike, and transit access to Takoma Langley Crossroads and New Hampshire Avenue,
 - Grow the City's Housing Reserve Fund
 - Assess a higher property tax on vacant commercial structures
 - Establish a Community Land Trust

- Utilize benefits provided by Enterprise and Opportunity Zones to encourage business investments
- Promote high-density development in targeted areas
- Market development opportunity in the Takoma Langley Crossroads and New Hampshire Avenue corridor.
- Infill Development and Mixed-Use Redevelopment
 - Priority properties: Takoma Park Recreation Center and Washington Adventist Hospital campus
 - Guide subdivisions and site plans to support economic development goals

Recommendations: Housing

- Individual and Organizational Capacity
 - Tenant association support
 - Homeowner associations
 - Homebuyer and Homeowner programs
 - Financial literacy support
- Preserve and expand housing options
 - Modify the City’s PILOT program
 - Expand the scope of the emergency assistance program
 - Aggressively enforce the rental licensing, inspection, and stabilization programs
 - Revise the Tenant Opportunity to Purchase law
 - Modify the Homestretch down payment assistance program to encourage great homeownership opportunities
 - Expand the capacity of Landlord and Tenant Mediator position
 - Expand Accessory Dwelling Units to support housing options
 - Continue outreach, education, and workshops to the landlord, tenants, and other key stakeholders
 - Establish criteria for property donated to the City
 - Identify housing options for vulnerable residents seeking long-term sustainable, affordable housing.
- Advocacy
 - Support for state legislation that supports greater tenant protections
 - “Just cause” eviction
 - Abandoned tenant property laws

- Zoning text and map amendments
- Property tax credits
- Ongoing capitalization of housing fund

Recommendations: Planning

- Develop improvements to the pedestrian, bike, and transit access in Takoma Langley Crossroads and New Hampshire Avenue
 - Complete 60% Design work for The New Ave Bikeways
 - Conduct Bus Shelter Accessibility and Amenities Study (COG)
 - Manage City participation in E-scooters and Capital bikeshare
- Monitor and support redevelopment projects
 - Serve as point of contact to support and assist developers in navigating the development process
 - Represent the City as part of the Montgomery County Development Review process
- Develop a citywide Public Space Plan
 - Develop purpose and process of the Public Space Plan
 - Draft criteria for property acquisition
 - Manage the public engagement process for determining public space usage and acquisition
 - Support the Council's decision-making process with data and staff expertise
 - Draft and manage process for Parking Management Plan

Timeline & Conclusion

The HCD staff has drafted an implementation chart to begin prioritizing recommendations and executing the Housing and Economic Development Strategic Plan. The dates in the chart are approximations. The Plan implementation is expected to continue through 2024. The implementation process will depend upon the availability of funding, staffing and timing of opportunities. HCD anticipates that priorities will shift during implementation as resources, conditions and circumstances arise.