



Takoma Park City Council Meeting – October 2, 2019 Agenda Item 3

Work Session

Continued Discussion - Housing and Economic Development Strategic Plan

Recommended Council Action

Provide feedback to staff on revised draft Goals, Objectives and Strategies

Context with Key Issues

This is a continuation of a series of work session discussions held by the Council. The primary focus of this discussion is to finalize the review of the goals, objectives and strategies of the draft Plan.

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, particularly of the comments from the work session of September 25.

Once adopted, the Council will need to draft policy, amend City Code, and set criteria regarding a number of implementing tools. Among them are the following:

- Adoption of housing targets, consistent with the regional targets adopted by the Metropolitan Washington Council of Governments
- Criteria for use of the Housing Reserve
- Modifications to the processes of the Rent Stabilization program, including modification to the Rent Stabilization capital improvements program for ease of use
- Criteria for the granting of Payments in Lieu of Taxes (PILOTs)
- New or modified real property tax credits
- Criteria for other City grants and funding sources
- Recommend changes to zoning and allowable use

Council Priorities

Housing

A Livable Community for All: Ensure that a range of safe, high quality, affordable and stable housing options and opportunities are available to all residents in neighborhoods throughout the community.

Economic Development

Community Development for an Improved & Equitable Quality of Life: Ensure that all may benefit from economic well-being, a high quality of life and a stable tax base

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

- Revised Goals, Objectives and Strategies
- [Project Page: Housing and Economic Development Strategic Plan](#)
- [Draft Strategic Plan \(October 15, 2017\)](#)

Building A Livable
Community
for All

City of Takoma Park
Draft Housing and
Economic Development
Strategic Plan

Building a Livable Community for All:

Housing and Economic Development Strategic Plan

OVERVIEW

With the adoption of this Takoma Park Housing and Economic Development Strategic Plan, the City Council is putting in place the coordinated approach needed to move Takoma Park towards a “Livable Community for All” for this and future generations. This Plan is aggressive, as it must be in a time of climate change, and actively integrates the City’s focus on race equity.

The goals, objectives and strategies presented here are the result of a multi-year process of research, staff facilitation, community discussion and Council consideration.

This Strategic Plan will guide this and future Councils when setting policies and adopting budgets, will assist City staff in the development of annual implementation plans, and will be reviewed periodically as conditions and needs change in the City of Takoma Park.

The City of Takoma Park is a densely developed, largely residential municipality of almost 18,000 people living within 2.4 square miles in Montgomery County, Maryland, and bordered by Washington, D.C. and Prince George’s County. Its residential housing stock is about half multifamily (mostly rent-stabilized) buildings and half single family detached homes. The City has had almost no new housing units or commercial buildings constructed or redeveloped since the 1970’s.

As the City looks to meet its critical housing needs, housing development initiatives are interlaced with the City’s economic development initiatives, particularly in light of the positive and negative challenges of the coming of the Purple Line light rail line along Takoma Park’s borders, the closing of the community’s hospital in the heart of the city, and the changing Washington, D.C. area market forces.

In 2016, the Takoma Park City Council authorized the development of a community-wide strategic plan for housing and economic development. Now completed, this plan, through a set of recommended policies and strategies, identifies the steps needed to meet the goals of having a range of safe, high quality, affordable, and stable housing available throughout the community and having options for employment, business support, and economic well-being equitably available to Takoma Park’s residents and businesses.

In moving forward on the recommendations of the strategic plan, the City is also looking to consider every action through a race equity lens, take into account the climate change resiliency needs of our existing and future residential and commercial properties, and develop a financial base to support ongoing City services that has less dependence on residential real property tax.

The overall vision for this work is to ensure:

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

The plan's goals, objectives, strategies and indicators are summarized in the following pages and categorized into the themes of Preserve, Produce and Protect:

- **Preserve existing businesses and affordable housing in Takoma Park, including in revitalizing areas.**
- **Produce more housing and opportunities for local businesses to start and grow across the income spectrum and in neighborhoods across the City to meet the diverse housing and economic needs.**
- **Protect renters, homeowners, and local businesses from discrimination and displacement; and protect our environment from destruction.**

HOUSING AND ECONOMIC DEVELOPMENT STRATEGIC PLAN GOALS & OBJECTIVES

The Strategic Plan has two overarching goals associated with Housing and Economic Development, as defined below.

Goal 1: Housing

Ensure that a range of safe, high quality, affordable and stable housing options are equitably available in neighborhoods throughout the community.

Goal 2: Economic Development

Ensure that all may benefit from economic well-being, a high quality of life, and a stable tax base.

Objectives

The Plan's objectives are categorized under the headings "Preserve," "Produce," and "Protect," which, in turn, have their own associated objectives, strategies, and indicators. The categories are defined as follows:

- **PRESERVE** existing businesses and affordable housing in Takoma Park, including in revitalizing areas.
- **PRODUCE** more housing and opportunities for local businesses to start and grow across the income spectrum and in neighborhoods across the City to meet the diverse housing and economic needs.
- **PROTECT** renters, homeowners, local businesses from discrimination and displacement, and protect our environment from destruction.

PRESERVE

Preserve existing businesses and affordable housing in Takoma Park, including in revitalizing areas.

Objectives:

- 1. Preserve the affordability of the existing multifamily housing stock.**
- 2. Conserve and improve the physical condition of the existing low to moderate cost housing stock.**
- 3. Improve the capacity of residents, property owners and business owners to maintain their property, manage residential (tenant, homeowner, common ownership) associations or business organizations, and access resources.**
- 4. Retain local businesses.**
- 5. Seek local, county, state and federal decisions, policies, legislation, regulations and funding that support these objectives.**

Objective #1: Preserve the affordability of the existing multifamily housing stock.

Strategy A: Continue the rent stabilization program for multifamily buildings that lack other housing affordability protections; consider modifications to the program if needed to improve functionality.

Strategy B: Provide support for multifamily buildings that include housing affordability protections for a majority of their units through direct or indirect government assistance such as Payment in Lieu of Taxes (PILOT) agreements, grants, tax credits, etc.; such assistance programs may need to have criteria or clarifications set to advance this Strategy.

Strategy C: Encourage and support improvements for energy efficiency as a way to keep multifamily housing stock affordable.

Objective #2: Conserve and improve the physical condition, safety, resiliency, and energy efficiency of the existing low to moderate cost housing stock.

Strategy A: Pursue grant funds, incentives and partners that can facilitate residential building improvements such as upgrading or replacement of major systems (e.g., mechanical, electrical, HVAC or plumbing), windows, elevators, interior and exterior materials, lighting, landscaping and aesthetics.

Strategy B: Facilitate partnerships and policy changes that would permit or encourage commercial or nonprofit use in portions of residential buildings or property to promote economic stability of the property.

Strategy C: Ensure that programs designed to facilitate building and energy-efficiency improvements, such as the capital improvements process for rent-stabilized buildings, are easy to use and effective.

Objective #3: Improve the capacity of residents, property owners and business owners to maintain their property, manage residential (tenant, homeowner, common ownership) associations or business organizations, and access resources.

Strategy A: Provide capacity-building trainings, either directly or via partners; when appropriate, such trainings may be a requirement of some grants or incentive programs.

Strategy B: Pursue grant opportunities and incentive programs that may address major issues (such as needed safety or building improvements or the lack of technology systems), thereby allowing residential and business organization to focus on ongoing operations.

Strategy C: Expand opportunities for economic self-sufficiency for Takoma Park residents and businesses.

Objective #4: Retain local businesses.

Strategy A: Create and grow connections between local businesses and the resources of the City, County and other partners, including through increased outreach and systematic collection of information about local businesses and their needs.

Strategy B: As redevelopment occurs, work to keep local businesses in Takoma Park (in the same or different location in the city) through agreements, incentives, and an understanding of the needs and assets of individual businesses and of commercial areas; particularly consider race equity when crafting agreements and incentives.

Strategy C: Intentionally celebrate and promote local businesses.

Objective #5: Seek local, county, state and federal decisions, policies, legislation, regulations and funding that support these objectives.

Strategy A: In support of these objectives, advocate for county, state and federal decisions, policies, legislation, regulations and funding.

Strategy B: In support of these objectives, adopt local policies, legislation and regulations, establish criteria for funding sources (such as the Housing Reserve), and allocate funding.

PRODUCE

Produce more housing and opportunities for businesses to start and grow across the income spectrum and in neighborhoods across the City to meet the diverse housing and economic needs.

Objectives:

- 1. Increase the number of units and variety of housing types across the affordability spectrum that are attractive to a diverse demographic and do not result in economically segregated communities.**
- 2. Encourage the construction of new moderate and higher density infill commercial, residential and mixed-use development and redevelopment.**
- 3. Cultivate entrepreneurship among residents.**
- 4. Attract new businesses to Takoma Park and facilitate the growth of existing businesses, particularly those that help meet workforce development, local ownership, or other goals defined by this plan.**
- 5. Implement and enforce antidiscrimination and race equity provisions in City of Takoma Park, Montgomery County, State of Maryland and federal policies and regulations.**
- 6. Seek local, county, state and federal decisions, policies, legislation, regulations and funding that support these objectives.**

Objective #1: Increase the number of units and variety of housing types across the affordability spectrum that are attractive to a diverse demographic and do not result in economically segregated communities.

Strategy A: Encourage and facilitate the creation and expansion of housing types that are under-represented in Takoma Park, or in a particular section of Takoma Park, and desired by existing and new residents of various incomes; work to change allowable uses and zoning to accomplish this.

Strategy B: Adopt housing targets and work to meet them, consistent with the regional housing targets adopted by the Washington Metropolitan Area Council of Governments.

Strategy C: Encourage and facilitate ways to allow purchase or rental of single-family homes by people of moderate incomes, through initiatives such as down payment assistance, tax credits, allowance of accessory dwelling units, donations of property, shared equity arrangements, and education about these opportunities to residents and real estate professionals.

Strategy D: Encourage infill housing development, such as single-family detached homes, townhouses, and multifamily structures; build in such a way as to be resilient to the effects of climate change; and, where possible, use grants, credits or other methods to lower purchase prices, maintenance costs, and energy costs to allow for greater affordability.

Objective #2: Encourage the construction of new moderate and higher density infill residential, commercial and mixed-use development and redevelopment.

Strategy A: As part of master planning efforts, work to allow for new moderate and higher density development and mixed-use residential development.

Strategy B: Encourage moderate and higher density development and redevelopment through means such as supporting applications during the development review process and providing or encouraging financial assistance for projects.

Strategy C: Develop and maintain partnerships with nonprofit, for profit and governmental entities that can facilitate such developments.

Strategy D: Encourage development locations and site plans that create attractive welcoming, character-rich, safe, walkable, bikeable, transit-accessible developments and neighborhoods throughout the community.

Strategy E: Assess a higher property tax on developed vacant residential structures to encourage reuse or redevelopment.

Strategy F: New construction should be built with climate change in mind; that is, minimizing greenhouse gases, emphasizing energy efficiency and able to minimize or withstand flooding.

Objective #3: Cultivate entrepreneurship among residents.

Strategy A: Facilitate creation of spaces to start and grow businesses, such as “pop-up” spaces, vending, traditional retail, commercial kitchens, studios or workshops, and non-traditional office and collaboration spaces.

Strategy B: Expand knowledge of financial options through business outreach programs.

Strategy C: Connect staff of the City and other partners to business owners and entrepreneurs.

Objective #4: Attract new businesses to Takoma Park and facilitate the growth of existing businesses, particularly those that help meet workforce development, local ownership, or other goals defined by this plan.

Strategy A: Utilize benefits provided by Enterprise and Opportunity Zones to encourage business investments.

Strategy B: Market development opportunities in the Takoma Langley Crossroads, New Hampshire Avenue Corridor, and Long Branch areas, as well as opportunities that may arise from zoning changes at the former hospital site.

Strategy C: Promote high-density development in targeted areas to improve the quality, quantity and accessibility of commercial space.

Strategy D: Improve the attractiveness of the City to business owners by improving transportation accessibility, streetscapes, safety, opportunities for public art, and the quality of business spaces.

Strategy E: Assess a higher property tax on developed vacant commercial structures to encourage reuse or redevelopment.

Objective #5: Implement and enforce antidiscrimination and race equity provisions in City of Takoma Park, Montgomery County, State of Maryland and federal policies and regulations.

Strategy A: Implement and enforce antidiscrimination and race equity provisions as new development is considered and produced and as assistance is provided to residents and businesses.

Objective #6: Seek local, county, state and federal decisions, policies, legislation, regulations and funding that support these objectives.

Strategy A: In support of these objectives, advocate for county, state and federal decisions, policies, legislation, regulations and funding.

Strategy B: In support of these objectives, adopt local policies, legislation and regulations, establish criteria for funding sources (such as the Housing Reserve), and allocate funding.

PROTECT

Protect renters, homeowners, local businesses from discrimination and displacement, and protect our environment from destruction.

Objectives:

- 1. Ensure homeownership and rental opportunities are available in welcoming, character-rich, safe, walkable and bikeable neighborhoods throughout the community**
- 2. Provide opportunities for economic self-sufficiency for Takoma Park residents and businesses**
- 3. Implement and enforce antidiscrimination and race equity provisions in City of Takoma Park, Montgomery County, State of Maryland and federal policies and regulations.**
- 4. Plan, build, and maintain properties, buildings and neighborhoods with environmental sustainability as a major consideration, including climate change resiliency and greenhouse gas reduction.**
- 5. Seek local, county, state and federal decisions, policies, legislation, regulations and funding that support these objectives.**

Objective #1: Ensure homeownership and rental opportunities are available in welcoming, character-rich, safe, walkable and bikeable neighborhoods throughout the community.

Strategy A: Use master planning, development and policy-making opportunities to make the City of Takoma Park welcoming, character-rich, safe, walkable, bikeable and transit-accessible.

Objective #2: Provide opportunities for economic self-sufficiency for Takoma Park residents and businesses to avoid displacement.

Strategy A: Undertake and promote the work of partners on workforce development and business assistance programs to build economic self-sufficiency for individuals and businesses to remain in Takoma Park.

Objective #3: Implement and enforce antidiscrimination and race equity provisions in City of Takoma Park, Montgomery County, State of Maryland and federal policies and regulations.

Strategy A: Implement and enforce antidiscrimination and race equity provisions to avoid displacement of, or improper actions against, individuals and businesses in Takoma Park.

Objective #4: Plan, build, and maintain properties, buildings and neighborhoods with environmental sustainability as a major consideration, including climate change resiliency and greenhouse gas reduction.

Strategy A: Use the City's Sustainability and Climate Action Plan to guide development and redevelopment.

Objective #5: Seek local, county, state and federal decisions, policies, legislation, regulations and funding that support these objectives.

Strategy A: In support of these objectives, advocate for county, state and federal decisions, policies, legislation, regulations and funding.

Strategy B: In support of these objectives, adopt local policies, legislation and regulations, establish criteria for funding sources (such as the Housing Reserve), and allocate funding.