



2025

Montgomery Planning | Countywide Planning & Policy Division

Growth & Infrastructure Policy Overview



2020 Update to the Growth and Infrastructure Policy

- Incorporate a **data-driven** and **stakeholder-informed** approach
- Apply a more **context-sensitive approach** to the policy that also supports the county's other policy priorities
- Ensure capacity adequacy within the county's **current growth paradigm**



Major School Changes in the GIP and Impact Taxes

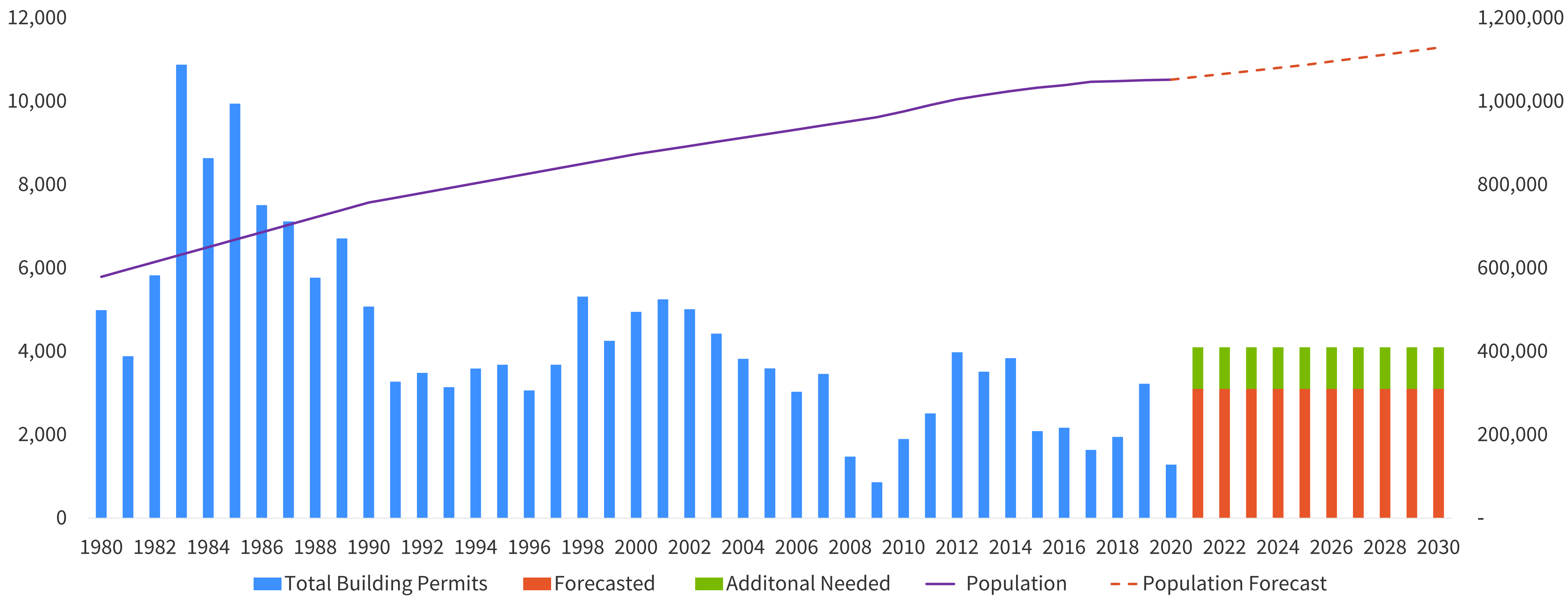
- Classified neighborhoods into **School Impact Areas** based on the amount and type of development they are experiencing and that development's impact on enrollment.
 - **Right-sized impact taxes** based on School Impact Area.
- Eliminated the residential development **moratorium**.
 - Replaced the moratorium with new tiered **Utilization Premium Payments** that require developers to pay more to build in areas with over-crowded schools.
- Modified the **impact tax applicability**.
 - Created an exemption for development in **Opportunity Zones**.
 - Created a discount for multifamily units with **3 or more bedrooms** in certain parts of the county.
 - Limited an exemption for including 25% or more **affordable units**.

Engagement on the Data

- Community discussions heavily focused on data:
 - Challenging assumptions, myths and long-held beliefs.
- Created a Schools Technical Advisory Team (STAT) to dive deeper into the data:
 - Met six times over five months.
- Held a community kickoff event and five roundtable policy discussions:
 - In different parts of the county and with different stakeholder groups.

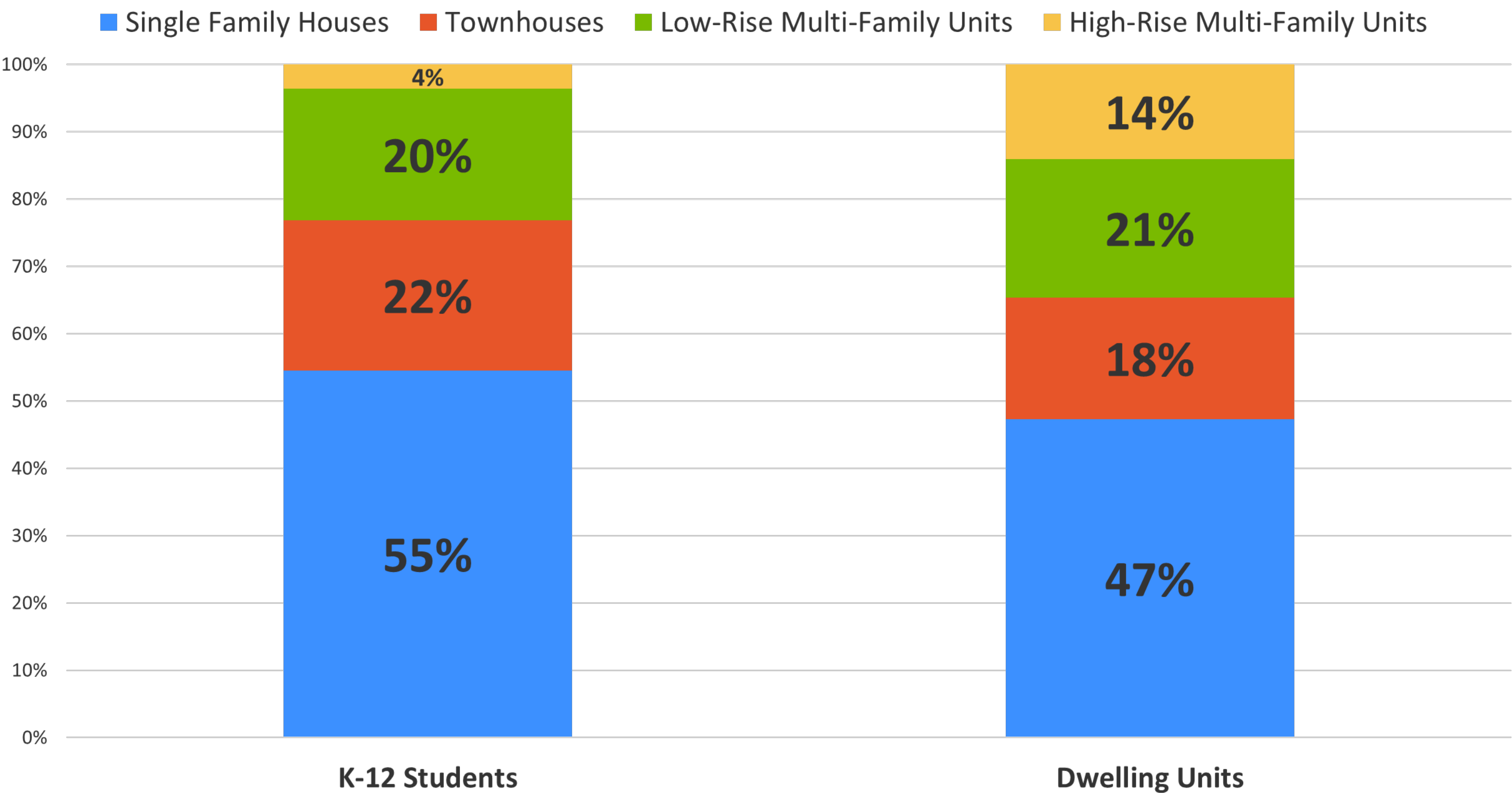


Housing Production and Population Growth

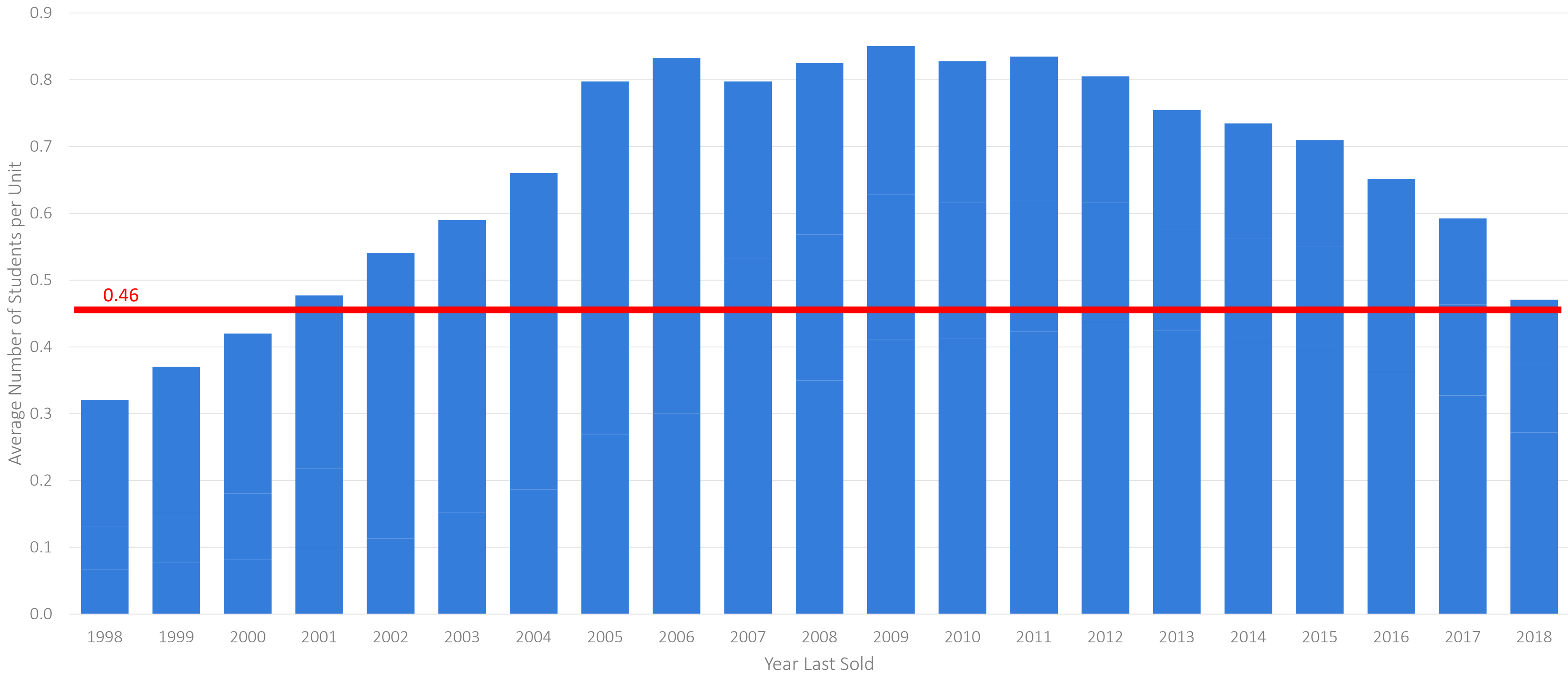


Source: Census Bureau (data includes the municipalities of Rockville and Gaithersburg)

Share of Students and Units by Dwelling Type, 2018



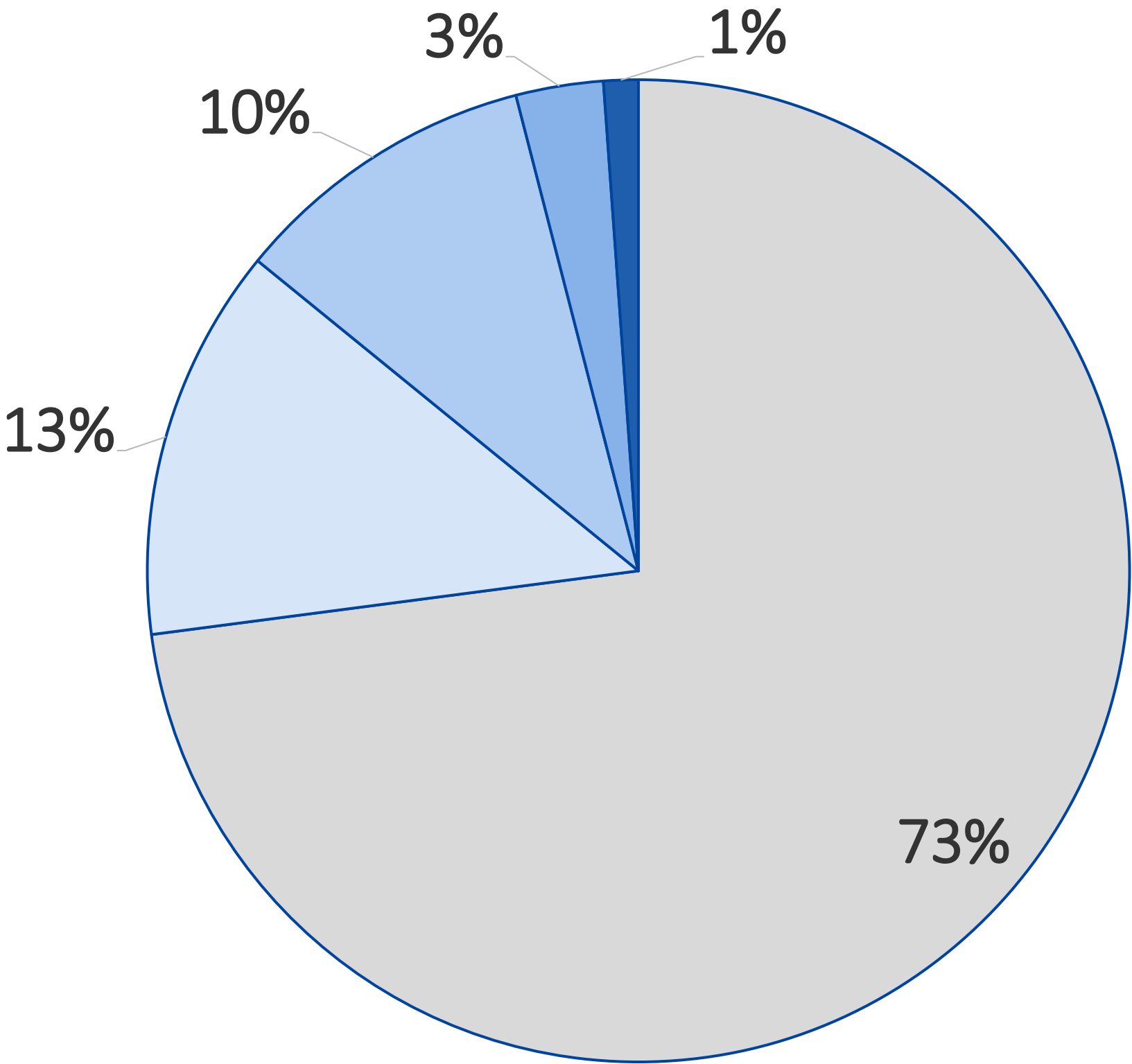
Single Family Detached SGR by Year Last Sold, 2018



Source: SDAT



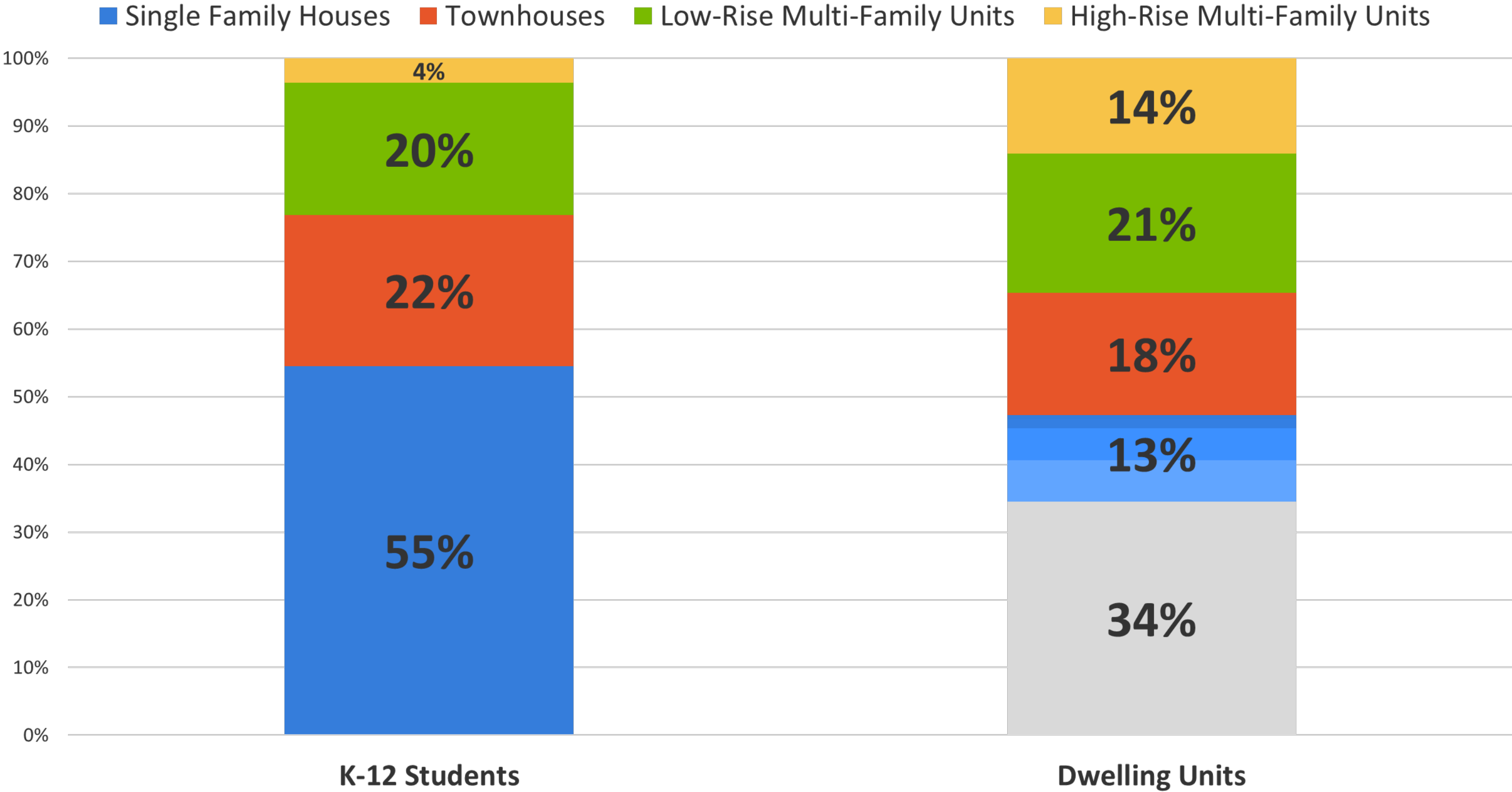
SFD Homes by Number of Students, 2018



Homes *with students* on average have **1.7 students** each

0 students 1 student 2 students 3 students 4 or more students

Share of Students and Units by Dwelling Type, 2018

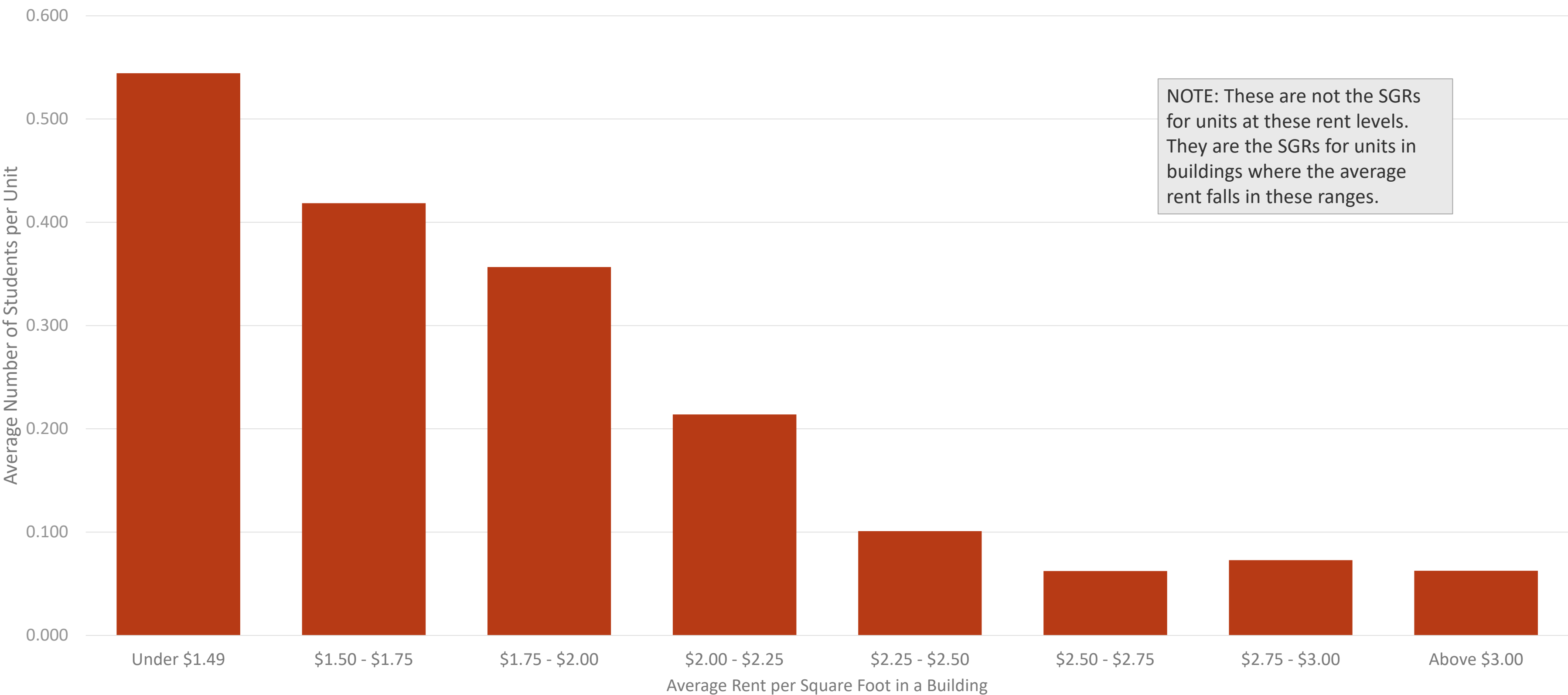


New Development vs. Turnover

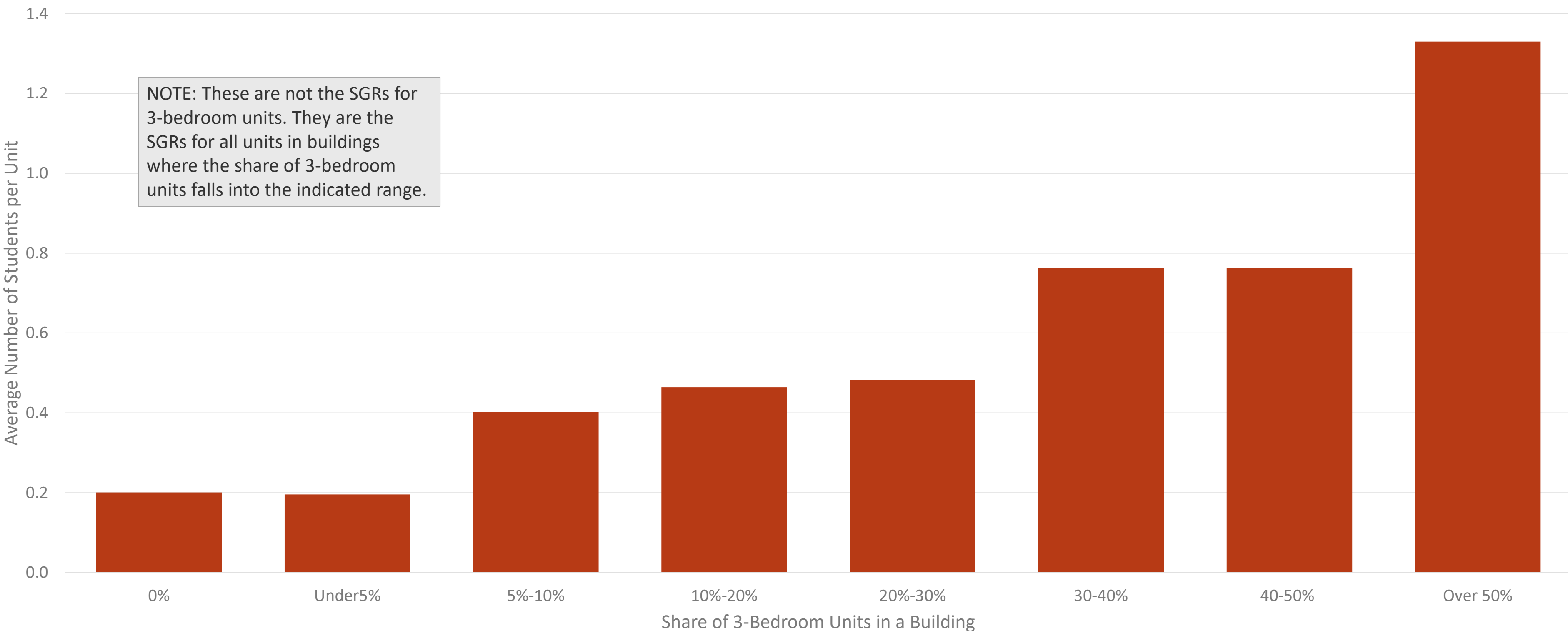
- A review of new dwelling units built (excluding replacement homes) between 2011 and 2015 revealed:

Unit Type	Units Built	Share of 2010-15 Enrollment Growth	
Single Family Detached	2,606 (16.1%)	10.9%	19.1%
Single Family Attached	3,403 (21.0%)	8.2%	
Multifamily Low-rise	3,498 (21.6%)	2.6%	4.3%
Multifamily High-rise	6,660 (41.2%)	1.7%	
TOTAL NEW DEVELOPMENT	16,167	23.3%	
EXISTING UNITS		76.7%	

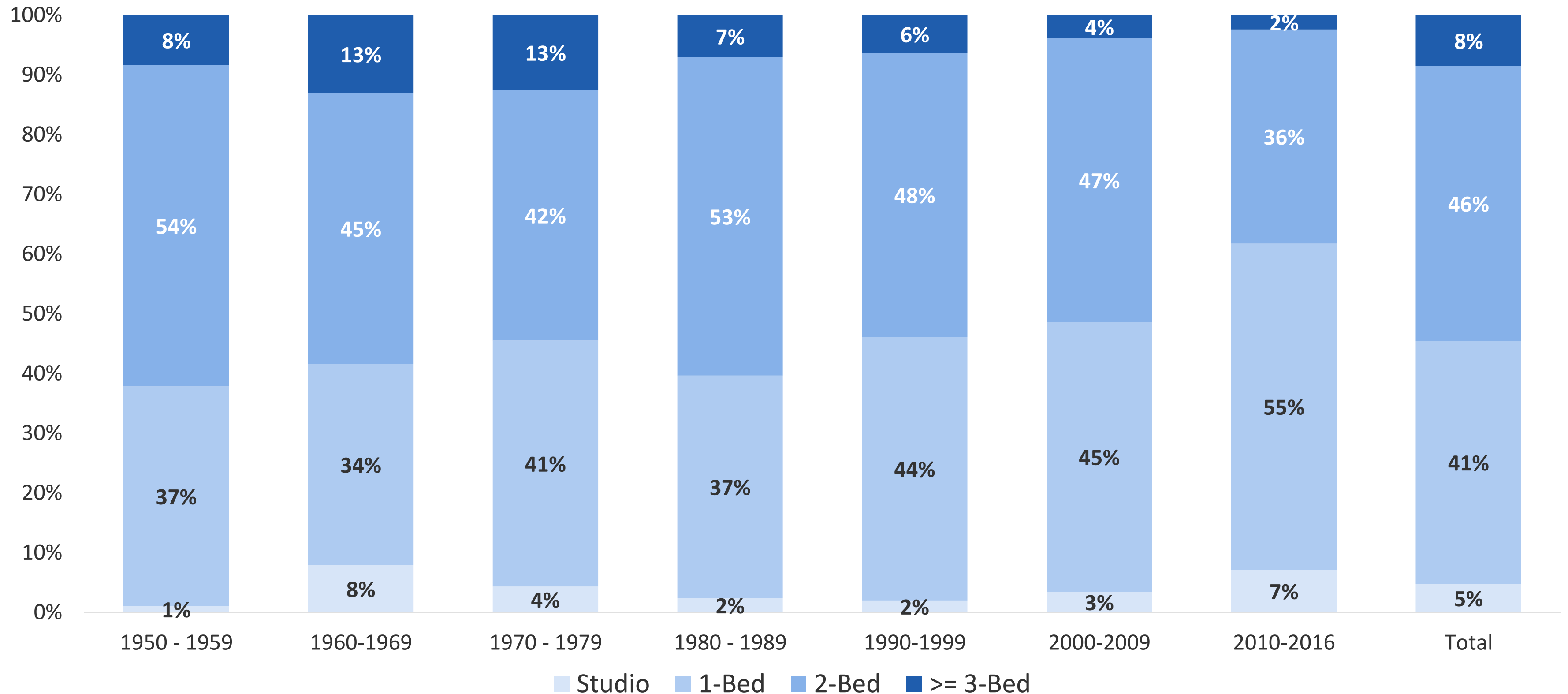
Multifamily SGR by Average Rent, 2018



Multifamily SGR by Share of 3-BR Units, 2018

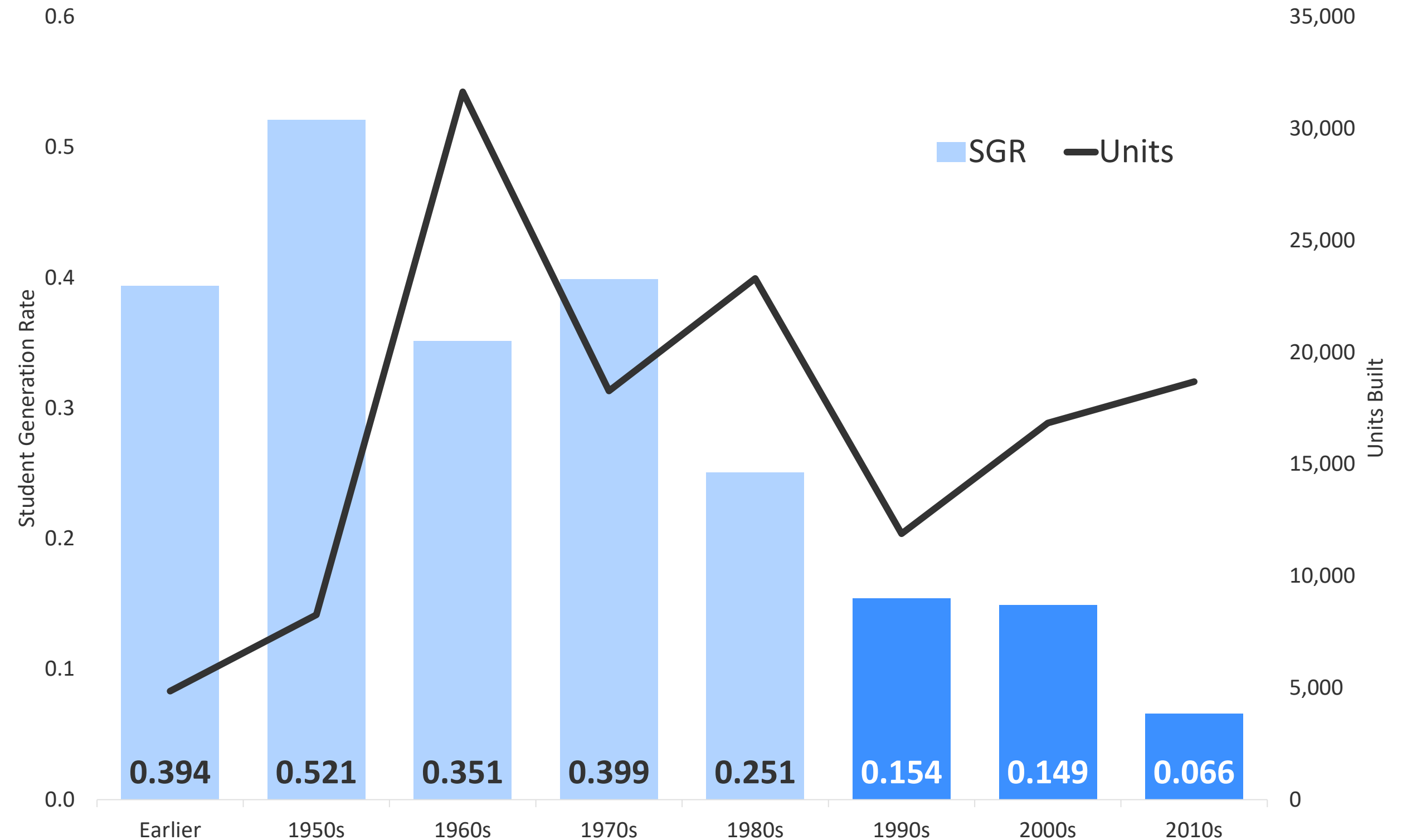


Multifamily Rental Units by Unit Size and Decade Built



Multifamily SGR by Decade Built, 2018

- K-12 SGR for multifamily structures built prior to 1990 was statistically different from the average for structures built in 1990 and later.
- K-12 SGR for structures built in the 1980s were statistically significantly different from those built in the:
 - 1990s
 - 1990s, 2000s and 2010s combined



School Impact Areas

Infill Impact Areas

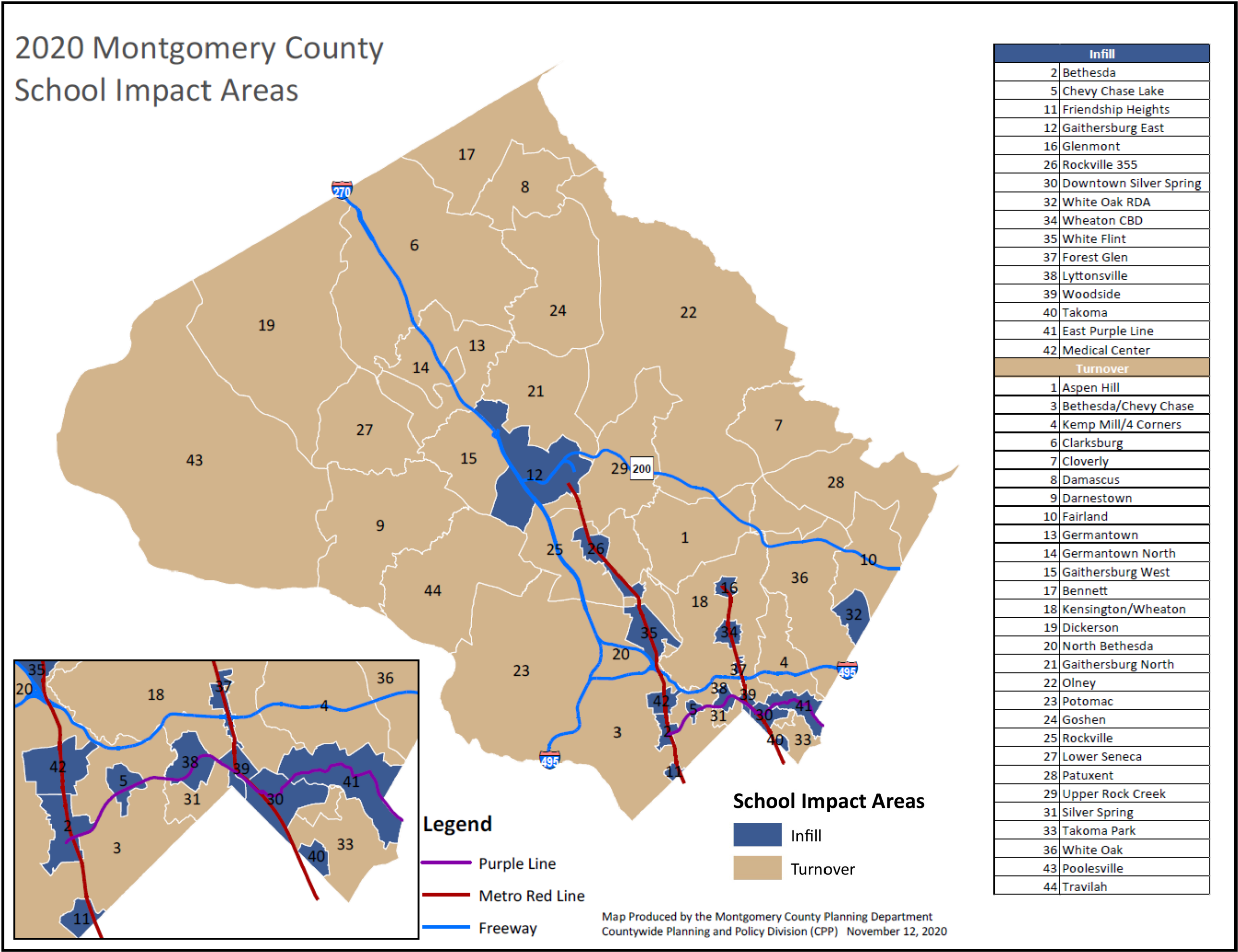
- High housing growth that is predominantly multifamily, generating few students on a per unit basis

Turnover Impact Areas

- Low housing growth where any enrollment growth is largely due to turnover of existing single-family units

Residential Development Capacity Analysis

- Analysis of remaining zoned residential capacity eliminated a Greenfield designation that had been defined as high housing growth that is largely single-family, generating a lot of students.



New School Impact Taxes

Old School Impact Taxes <i>per unit</i>	Single-family		Multifamily	
	Detached	Attached	Low-Rise	High-Rise
Countywide	\$26,207	\$27,598	\$21,961	\$6,113

New School Impact Taxes <i>per unit</i>	Single-family		Multifamily	
	Detached	Attached	Low-Rise	High-Rise
Infill Impact Areas	\$20,837	\$18,053	\$5,487	\$3,116
Turnover Impact Areas	\$21,737	\$24,547	\$11,354	\$5,061

% Change <i>per unit</i>	Single-family		Multifamily	
	Detached	Attached	Low-Rise	High-Rise
Infill Impact Areas	-20.5%	-34.6%	-75.0%	-49.0%
Turnover Impact Areas	-17.1%	-11.1%	-48.3%	-17.2%

Utilization Premium Payments

UPP Tier	Utilization Rate Threshold	Seat Deficit Thresholds	ES UPP Payment	MS UPP Payment	HS UPP Payment	Total UPP Payment
Tier 1	$\geq 105\%$	ES: ≥ 85 MS: ≥ 126 HS: ≥ 180	$16\frac{2}{3}\%$	10%	$13\frac{1}{3}\%$	40%
Tier 2	$\geq 120\%$	ES: ≥ 102 MS: ≥ 151 HS: ≥ 216	$33\frac{1}{3}\%$	20%	$26\frac{2}{3}\%$	80%
Tier 3	$\geq 135\%$	ES: ≥ 115 MS: ≥ 170 HS: ≥ 243	50%	30%	40%	120%

Useful Resources

Growth & Infrastructure Policy (GIP) Website	https://montgomeryplanning.org/gip
Interactive GIP Webmap	https://arcg.is/1ai9eW
Annual School Test Guidelines Annual School Test Results School Utilization Reports	https://montgomeryplanning.org/planning/countywide/growth-and-infrastructure-policy/schools/annual-school-test/
Text of the 2020-2024 Growth and Infrastructure Policy	https://montgomeryplanning.org/wp-content/uploads/2020/11/20210101-Text-of-the-2020-2024-Growth-and-Infrastructure-Policy-with-Maps.pdf

Questions?

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