## Sayers, Margery

From:	Stuart Kohn <stukohn@verizon.net></stukohn@verizon.net>
Sent:	Thursday, June 27, 2019 5:41 PM
То:	CouncilMail
Subject:	Fwd: Amendments are needed for CR 96 Payments in lieu
Attachments:	CR96-2016 Amendments .doc

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Dear Council Members,

Please accept the attached suggested amendments and concerns for CR96-2019 from HCCA as Alan Schneider is a Board Member.

Stu Kohn HCCA President

## CR96-2019. Amendments

Thank you for addressing Affordable Housing. Amendments to CR96-2019 would resolve several problems.

1. **Preambles describe and broaden the main purpose of the legislation**. Here the key issue is affordable housing. The following "whereas" clauses provide necessary background and purpose.

WHEREAS, affordable housing attracts and retains employees to Howard County, it allows workers to live close to their jobs and spend more time with families and community participation, it benefits communities by reducing traffic, air pollution, and road expenditures, and it enables individuals to improve their economic situation and contribute to their communities; and

WHEREAS, affordable rental housing meets the needs of low- and moderate- income families in high- cost markets, and provides an opportunity to save for homeownership. Homeownership is the American Dream for many. Affordable homeownership builds a financial asset for retirement, gives control over home enhancements, benefits children who are reportedly more likely to do well in school and less likely to have behavior and social problems, and provides more stability to neighborhoods in which individuals are invested; and

WHEREAS, affordable housing enhances the Quality of Life which is an overarching vision in the first section of PlanHoward 2030 as adopted by the County Council.

- 2. Contract provisions govern the rights and duties of the parties to the agreement. In this case viable affordable housing requires additional protections for Howard County, individuals, and communities in exchange for the economic and other benefits to Enterprise. The following contract amendments are representative of the requirements required by government organizations.
- a. Ownership and financial information from Enterprise, its owners and affiliates.
- b. Identification of all owners of Enterprise, its parent, and affiliates.
- c. Approval by Howard County of any transfer of the property after review of all requested information. (Large powerful foreign corporations are acquiring U.S. entities holding real estate.)
- d. Protection for low income renters who are especially vulnerable to profit driven commercial landlords.
- e. Authority for Howard County to require and to add or modify health and safety provisions.
- f. Provide that the HUD requirements are enforceable by Howard County, and that Howard County may extend HUD rules and may adopt more stringent local rules and regulations and require the landlord to provide affordable housing for an extended time.
- g. Define "surplus cash" and authorize Howard County to audit expenses for "reasonableness". Section 5
  (b) provides for payments to the County from "Surplus Cash". A definition of "reasonableness" would limit payments for management fees, payments for asset management fees, payments to the corporate owner of the LLC, payments to individual owners of the LLC or its parent, or payments to service affiliated providers.
- h. Enable compliance and enforcement by Howard County. Landlord to bear the cost of enforcing noncompliance brought by Howard County or tenants.
- 3. **Consider and independent review for additional protections in the contract.** Citizens hold elected officials responsible for problems which could have made been avoided. Unforeseen problems exist. Contract provisions must protect Howard County against liability for damages. A few problems affecting communities in other jurisdictions include: dilapidated housing, renters who do not have money or incentive for repairs, increased crime in low income areas, and problems arising from the ability of commercial landlords to take advantage of renters to the disadvantage of surrounding communities.

Thank you for your attention and your commitment to protecting the future.

Alan Schneider <u>ajs333@aol.com</u> 202.489.4831



### Bill Subject: Council Resolution 96-2019

Date: June 20, 2019

**Position:** Favorable

The Maryland Multi-Housing Association (MMHA) is a professional trade association established in 1996. Our membership consists of owners and property managers of more than 205,000 rental homes in over 870 apartment communities throughout the State. MMHA members manage over 17,600 apartments in Howard County. MMHA is a member of the Howard County Housing Affordability Coalition, which advocates for the preservation of existing affordable housing and the expansion of Howard County's affordable housing inventory.

We write to you today in support of CR 96-2019. This resolution supports approval of the terms and conditions of a Payment in Lieu of Taxes (PILOT) agreement by and between Howard County and Enterprise Community Homes Housing, LLC to preserve existing affordable units and address a 2019 property tax reassessment on five of the Company's properties. CR 96-2019 will allow Enterprise Homes to maintain the affordability of the properties' 300 units. 200 of these units are available to households that earn at or below 40 percent of Area Median Income of the Baltimore Metropolitan Statistical Area (AMI), and 100 of these units are available to households that earn at or below 80 percent of AMI.

As rental housing providers, MMHA understands that there is a serious shortage of affordable housing in Howard County. As cited in Howard County Department of Housing and Community Development's January 2019 Director's Report, there is concern that low-income residents that pay a high percentage of their income to housing expenses can become unstable and face homelessness due to a first-time crisis, loss of income, or health issues. Ensuring that these 300 units remain affordable is imperative to the prevent the vulnerability of Howard County's low-income population. MMHA urges the Howard County Council to vote in favor of this resolution.

## Jessie Keller, MMHA Government and Community Affairs Manager, 410-413-1420



MARYLAND MULTI-HOUSING ASSociation, Inc. Katherine Kelly Howard, MMHA Legislative Committee Chair, 410-539-2370

## Sayers, Margery

From:	Alan Schneider <ajs333@aol.com></ajs333@aol.com>
Sent:	Friday, June 21, 2019 11:00 AM
То:	CouncilMail
Subject:	CR 96-2019. Home ownership

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<u>CR 96.</u> Using tax relief to assist with affordable housing. Give it to LLP's or individuals? What is the goal? How can tax benefits be best used to help with affordable housing? I know that corporations are driven to maximize profits. I understand that homeownership is difficult. We've heard that teachers, firefighters and others would like to become homeowners in Howard County

Encouraging *home ownership* has been favored as more beneficial than renting. Prioritizing home ownership has been successful in other jurisdictions. Home ownership has been connected with greater economic benefits to businesses, hospitals, and the community. Howard County's resources are limited. Such plans would be supported by corporations seeking to attract workers to Howard County. Such plans benefit individuals, businesses and the County, instead of favoring profit driven landlords driven to maximize income and profits. CR 96 misses the goal. Long range planning requires articulating the entire vision which would focus on the pros and cons to individuals, the public and the economy. Proposals to approve Payment in Lieu of Property Taxes could achieve the vision of affordable housing in Howard County. More information and evaluation is needed.

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