

County Council of Howard County, Maryland

2019 Legislative Session

Legislative Day No. 6

Resolution No. 88-2019

Introduced by: The Chairperson at the request of the County Executive

A RESOLUTION setting the fee-in-lieu rate for moderate income housing.

Introduced and read first time May 6, 2019.

By order Jessica Feldmark
Jessica Feldmark, Administrator

Read for a second time at a public hearing on May 20, 2019.

By order Jessica Feldmark
Jessica Feldmark, Administrator

This Resolution was read the third time and was Adopted , Adopted with amendments , Failed , Withdrawn , by the County Council on May 29, 2019.

Certified By Jessica Feldmark
Jessica Feldmark, Administrator

NOTE: [[text in brackets]] indicates deletions from existing law; TEXT IN SMALL CAPITALS indicates additions to existing law; Strike-out indicates material deleted by amendment; Underlining indicates material added by amendment

1 **WHEREAS**, Section 13.402C of the Howard County Code authorizes a fee-in-lieu as an
2 alternative to the provision of moderate income housing units in certain zoning districts; and
3

4 **WHEREAS**, Section 13.402C(e)(2) of the Howard County Code requires that the fee-in-
5 lieu for moderate income housing be set yearly by Council Resolution based upon the percentage
6 increase in the ENR construction cost index for the Baltimore Region as reported in ENR,
7 Engineering News Record; and
8

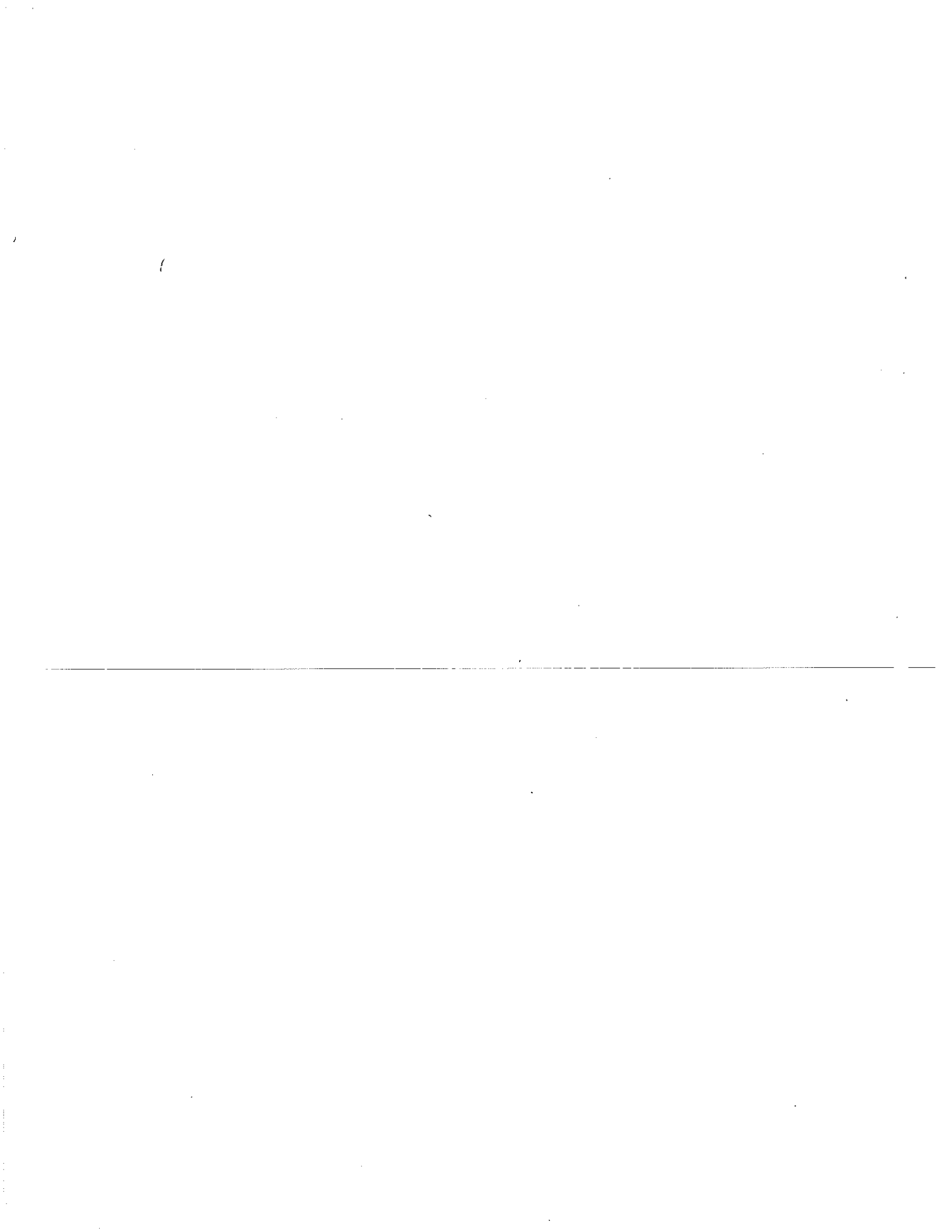
9 **WHEREAS**, in accordance with Section 13.402C(e)(2) of the Howard County Code, the
10 fee-in-lieu for moderate income housing will increase for Fiscal Year 2020 as shown in the
11 attached Rate Schedule.
12

13 **NOW, THEREFORE, BE IT RESOLVED** by the County Council of Howard County,
14 Maryland this 29th day of May, 2019 that it adopts the rate schedule for the fee-in-
15 lieu for moderate income housing as attached to this Resolution; and
16

17 **BE IT FURTHER RESOLVED** that the schedule of rates shall be effective on July 1,
18 2019 and shall continue in effect until changed or repealed by subsequent resolution of the
19 County Council.

**FEE-IN-LIEU FOR MODERATE INCOME HOUSING
RATE SCHEDULE**

[[~~\$2.48~~]]\$2.65 per square foot of residential space for each unit in the development





HCCA

Howard County Citizens Association

Since 1961...

The Voice Of The People of Howard County

Date: 20 May 2019

Subject: HCCA Testimony Regarding CR88-2019

The introduction section of the 2006 "Report of the Howard County Task Force on Affordable Housing" closes by stating "The Task Force concluded its work by noting that the time allotted to consider this very complex issue was not sufficient to develop detailed implementation plans..."

That line encapsulates the County's posture toward affordable housing. Rhetoric and platitudes, but no action. Howard County has failed to provide any meaningful affordable housing to its residents. The same report estimated a conservative affordable housing deficit of 20,000 units. In 2006!

The data points available since then indicate very little progress in alleviating the shortages.

According to 2018's "Self-Sufficiency Indicators" report published by the Association of Community Services, 22% or 24,000 households in Howard County have income less than \$60,000 and 6,300 households have income less than \$20,000.

About 500 students that attend Howard County Public schools are homeless.

The same report states, in 2014, there was a shortage of over 6,600 rental units for households who made less than \$50,000 and there are currently over 5,000 households on the Housing Choice Vouchers waiting list because only 761 rental units existed in 2017.

By 2035, nearly 22% of the population in Howard County will be aged 65 or older and 11% will be 75 and older. In addition to those who desire independent living, a proportion of the older adult population will need assistance and caregivers.

According to the Alzheimer's Association, 11% of those 65 and over and 38% of those 85 and over have Alzheimer's disease. By 2035, there will be nearly 24,000 older adults aged 85 and over in Howard County.

Not only will many over the age of 65, who are on fixed income need affordable housing, so will their caregivers.

In 2013, the MIHU fee was set at an arbitrary \$2.00 per sq. ft. and pegged to a regional construction cost index. The market-basis for the fee is not clear. Since it is not market based, the dollar total of fees-in-lieu are not sufficient to produce the same number of units that would have been produced had developers opted to build the units.

After the 2013 fee-in-lieu change, the number of units subject to fee-in-lieu skyrocketed from 3 in 2009 to 261 in 2013.

The county seems to have ignored and foreclosed on every opportunity to alleviate this issue, instead opting to use affordable housing as a wedge issue during the APFO discussion or as a means to provide density to developers without holding them accountable.

In 2015, CDHC presented a recommendation that made 15% of housing affordable to households at an average of 60% of Average Median Income (AMI).

This was met with stiff resistance. Instead of providing any workable solution, developers enlisted organizations such as Howard County Chamber of Commerce, who sent a letter saying *"we agree with the expectation that downtown Columbia will include expanded opportunities for in-town living in both housing for and affordability. **The need for affordable, workforce housing is a goal shared by all. We do not, however, agree with the recommendations proposed by CDHC.**"*

The public does not trust the process. County leaders have given everything in return for nothing. Exemptions, free money by way of tax-increment financing (TIF), very low fee-in-lieu exemptions, and developers' lack of good-will, has led to our current problem.

Howard County needs a comprehensive solution to solve the affordable housing crisis, not special exemption and favors, market-based MIHU fees, inclusionary zoning practices rather than practices that concentrate poverty in specific areas of the county should be the goal. HCCA urges you to address this problem more comprehensively.

Thank You,

Hiruy Hadgu
HCCA Board of Director



HOWARD COUNTY COUNCIL
AFFIDAVIT OF AUTHORIZATION
TO TESTIFY ON BEHALF OF AN ORGANIZATION

I, HIRSHY HASAN, have been duly authorized by
(name of individual)

HCCA to deliver testimony to the
(name of nonprofit organization or government board, commission, or task force)

County Council regarding Budget Bills to express the organization's
(bill or resolution number)

support for / opposition to / request to amend this legislation.
(Please circle one.)

Printed Name: HIRSHY HASAN

Signature: [Handwritten Signature]

Date: 05/20/19

Organization: Howard County Citizens Association (HCCA)

Organization Address: P.O. Box 89, ELIZABETH CITY, MD 21041

Number of Members: 500

Name of Chair/President: Stuart Kohn

This form can be submitted electronically via email to councilmail@howardcountymd.gov no later than 5pm the day of the Public Hearing or delivered in person the night of the Public Hearing before testifying.