

Sayers, Margery

From: Christopher J. Alleva <jens151@yahoo.com>
Sent: Monday, April 6, 2020 9:27 AM
To: CouncilMail
Subject: CB 13-2020 How a Community can be layed to Waste by well intentioned policies
Attachments: South Bronx 1970s.jpg; South Bronx 1970s 2 .jpg; Grand Councourse Plaza Hotel .jpg

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Dear Chairperson Jung and the Howard County Council

I am writing to express my opposition to CB 13-2020.

This bill provides for the Howard County Housing Commission to have a mandatory right of first refusal for the sale of any rental housing in Howard County.

In the 1970s the South Bronx was literally turned into wasteland largely due to misguided laws and regulations. One of the most lethal regulations was a seemingly appropriate rule that if you were driven from your apartment by fire you were placed at the head of the line for subsidized housing. Consequently, tenants took to committing arson to game the system.

Just a decade earlier the Bronx was a desirable place to live.

There are a whole host of unintended and adverse consequences that will occur if this bill is passed. Rental apartments are institutional pension fund assets that trade with regularity driven by the fiduciary duty to achieve their return rate targets.

For example, in July 2016, AIMCO, a large Colorado Apartment owner sold what is now known as Columbia Point to Morgan Properties. for \$47.5 million. In 2015 Chesapeake Properties dropped their contract to purchase the property. AIMCO made their decision to sell in 2013 so it took them nearly 3 years to conclude this transaction.

Under the terms of the proposed legislation the obligation to offer it to the Housing Commission could have extended this process to as much as 5 years because they would have to re-notice the Commission when the property was remarketed.

This could discourage investors from Howard County especially under the present uncertainties, it is probably not advisable to discourage any investment in the County with a risky burden like this.

Sincerely,

Christopher Alleva
10848 Harmel Dr,
Columbia, MD 21044





Concourse Plaza Hotel



Sayers, Margery

From: Sandy Cederbaum <manager@oaklandmills.org>
Sent: Monday, March 30, 2020 3:11 PM
To: CouncilMail
Cc: 'Jonathan Edelson'; 'Bill McCormack Jr'
Subject: Testimony for CB13-2020 From Oakland Mills Community
Attachments: CB13_2020 Oakland Mills Community Testimony 3_30_2020.pdf; Oakland Mills Village Center and Surrounding Area.jpg

[Note: This email originated from outside of the organization. Please only click on links or attachments if you know the sender.]

Attached is our testimony for the hearing on CB13-2020 and a map of Oakland Mills and surrounding area. Please email me or Board Chair, Jonathan Edelson at jledelson.omca@gmail.com if you have any questions.

Thinking of each of you during these trying times and thank you for all you do for the citizens of our great County.
Sandy

Sandy Cederbaum, Village Manager

Oakland Mills Community Association
The Other Barn ~ 5851 Robert Oliver Place
Columbia, MD 21045
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<http://oaklandmills.org> – follow link on right of web homepage to JOIN OUR LISTSERV

Visit us on Facebook at **Oakland Mills Village** and **The Other Barn**

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March 30, 2020
Testimony on CB13-2020
Submitted by: Oakland Mills Board of Directors

CB13-2020 Testimony

Master Plan versus Piecemeal

Please withdraw CB13-2020, the Affordable Housing Retention Act. The Housing Opportunities Master Plan Task Force will make a comprehensive study of housing opportunities for residents of all incomes in the county. The County Executive and County Council approved \$400,000 in the budget for an expert consultant to work with the Task Force. The Task Force of about 30 members, who have expertise in a broad spectrum of backgrounds, will spend this year analyzing and studying current policies and practices and recommending changes to better position the county to offer housing opportunities for residents of all incomes throughout the county.

The Master Plan is a comprehensive approach. An individual bill is a piecemeal approach. Each individual housing bill undermines the Task Force. The Task Force will consider this bill's intent and many other strategies during the Master Plan process.

Moratorium

A moratorium on housing bills is needed. When the county zoning board rewrites the zoning regulations there is a moratorium on hearing zoning cases. That same process should be utilized concerning housing bills while the Task Force creates the Master Plan.

Unintended Consequences

The bill may put restrictions on the sale of housing for those earning under the Area Median Income with unintended consequences. If the Housing Commission wanted to sell one of its 13 complexes on the east side of Rt. 29 and use the profits to create housing opportunities for those under the AMI on the west side of Rt. 29, the Commission may not be able to get top dollar. Per our understanding of the bill's proposed process, a buyer of a Housing Commission property would have to maintain 20% of the units as affordable if the deal closed right away. If the deal was delayed 90 days, then the 20% requirement would not apply and all units could be market rate. The waiting process may deter bidding.

The bill may help to perpetuate the imbalance of students who receive Free and Reduced Meals throughout our school system. To a large extent the FARM numbers are a reflection of the housing available in a school district. To provide equity and equal opportunity, housing policies need to be

flexible. To move from the current system where some schools have less than 10% FARM and some schools over 50% FARM toward a future system where all schools are within the range of the county average (currently 22%) plus or minus a third will require a comprehensive Master Plan. As currently written there are no references to the FARM rates in the schools in the bill. Any bill on housing for residents of all incomes must be evaluated on its effect on the FARM percentages in each and every school.

There is a restriction in the bill concerning Census Tract Block Group poverty rates at 10%. A rate of 5% is needed. Some Oakland Mills CTBG's have been near 10% in an area where school FARM percentages are the highest in the county.

Bidding Process

Per the press release, "Currently, the Department of Housing and Community Development and the Howard County Housing Commission may competitively bid for rental housing that is on the market in Howard County. However, with limited resources and requirements to maintain or reduce rents, the Housing Commission is often out-bid by private companies, and previously affordable housing units have their rents increased, thus displacing residents and reducing the county's affordable housing stock."

Per our understanding of the bill after the bidding is over on a proposed sale, and the seller has a bona fide offer from a buyer, then the HC with right of first refusal can buy the complex for the price in the bona fide offer. This process doesn't ring true with the statement in the press release. In a competitive bidding process, if the Housing Commission has been outbid, it doesn't have the money to buy at the bona fide offer level.

In Perpetuity

Section 13.1405 of the bill states that 20% of the units must remain affordable "In perpetuity." Our understanding of the legal term "In perpetuity" means forever. At an Oakland Mills Village Board meeting the bill's sponsor said that in this bill "In perpetuity" only means as long as the Housing Commission owns the property. Our understanding is that any property owned by the Housing Commission must be at least 20% affordable so "In perpetuity" is not necessary. "In perpetuity" is not flexible.

Build New versus Buy Old

The Housing Commission may do better building new instead of buying old.

Per the attached map of the Oakland Mills Village Center and surrounding area there are four apartment complexes. Forest Ridge which is 108 units of Section 8, Verona South and Verona North which is 251 units with 20% affordable, Columbia Pointe which is 324 units and Autumn Crest which is 300 units. Also, note Stevens Forest Elementary School (SFES), Talbott Springs Elementary School (TSES), Oakland Mills Middle School (OMMS) and Oakland Mills High School (OMHS). For years these four schools have been at or near the highest FARM rates in the county.

Verona Story

October, 2013 the Housing Commission purchased Verona Apartments for \$39.5M.

November, 2013 over 350 Oakland Mills residents met in the Loft to hear the Housing Commission's plan to make 20% of the units affordable immediately and in 10 years refinance and create 300 market rate units and 200 affordable units. The vast majority of the residents were against the purchase. At that time Talbott Springs Elementary and Stevens Forest Elementary and Oakland Mills Middle and High Schools were all well above the county average for students who receive Free and Reduced Meals.

A Vice President for Development at a development company that had been in business for decades in the county and that had done recent projects in Howard County was consulted. He was told that the Housing Commission paid \$39.5M in 2013 for Verona, 251 apartments over 40 years old in an area that already had too much low and moderate income housing.

He was told that old Clarksville Middle School was sold to a developer in 2012, and that closing was in 2014 for \$3.5M.

He was asked, "What could the Housing Commission have done with \$39.5 had it purchased old Clarksville Middle School?"

Answer: 263 brand new apartments.

Compare 251 over 40 year old apartments in an area that already had too much low and moderate housing versus 263 brand new apartments in an area that had little or no low and moderate income housing.

Economically which is the better choice? Ethically which is the better choice?

Grand Pointe (now Columbia Pointe) Story

In 2016 Grand Pointe, now Columbia Pointe, was for sale. The Housing Commission Executive Director at that time, Tom Carbo, approached the Co-Chairs of the Oakland Mills Village Board, Ginny Thomas and Bill McCormack, about purchasing Grand Pointe. The Co-Chairs stated that it was against the Oakland Mills Village Center Community Plan.

A meeting was held with then County Executive, Allan Kittleman, his Chief-of-Staff, Diane Wilson, Tom Carbo, Ginny Thomas, Bill McCormack and Kay Wisniewski, OM Board's Point of Contact for the VCCP. The OM representatives stated that the proposed purchase was against the OM VCCP.

Tom Carbo stated that he would not bring the proposed purchase to the Housing Commission Board of Directors.

Morgan Properties purchased Grand Pointe for \$47.5M in 2016. Within one week of the purchase they informed the Oakland Mills Covenant Advisor that they planned to invest \$11M over the next 12-18 months to replace all windows and doors, which were the original single pane, and the roof, which they determined was probably the original over 40 years old.

Verona Expense Story

In 2019 the Housing Commission was notified by one of the OMCA Covenant Advisors that several dead trees at the Verona Apartments were a violation and needed to be taken down. The Housing Commission

responded that they didn't have the money to take the trees down in a timely manner. An extended time frame was negotiated.

Conclusion

Might the Housing Commission be better off building new in areas with little or no low and moderate income housing rather than buying old in areas that have concentrations of low and moderate income housing?

Requests

Please withdraw CB13 and let the Task Force make a comprehensive study of housing policy and create the Master Plan.

Please place a self-imposed moratorium on all housing bills until the Master Plan is approved.

If the bill is not withdrawn, please make the following amendments.

In section 13.1405 delete "In perpetuity."

Create restrictions on the property to be purchased to stipulate that if after the purchase, with a minimum of 20% of the housing units as affordable, the property's elementary or middle or high school district is over the county average plus a third for the FARM rate for that school type, the property cannot be purchased.

Create the requirement for a public hearing on the proposed purchase. When the seller notifies the County and the Housing Commission of a bona fide offer, the County must immediately schedule and then hold a public hearing on the proposed purchase prior to the County or Housing Commission making the commitment to purchase the property.



Lake Kittamaqundi

29

AUTUMN
CREST

COLUMBIA
PONTE

FOREST
RIDGE

VERONA
SOUTH

VERONA
NORTH

OM
VILLAGE
CENTER

Oakland Mills

Oakland Mills
HS

Oakland Mills
MS

Stevens Forest
ES

175

Rt. 29
Pedestrian
Bridge

Talbot Springs
Pool

Talbot Springs
ES

STEVENSON RD

BASKETRING RD

WHITEACRE RD

LONGLOOK LN

TIMESWEEP LN

HUMBLEE RD

MORNINGBIRD LN

THUNDERHILL RD

SANTIAGO RD

KILIMANJARO RD

GOODHON RD

OAKLAND MILLS RD

KILIMANJARO RD

TOBREKENSEN LN

ALTERNATIVE LN

GATES LN

PUSHCARTWAY

MCCASKEY DR

PARADISE RD

RIVER MEADOWS DR

CARLEBA

STEVEN

RIVER

Sayers, Margery

From: Bill McCormack Jr <william.r.mccormack@verizon.net>
Sent: Saturday, March 28, 2020 1:32 PM
To: CouncilMail
Subject: CB13-2020 Testimony
Attachments: Testimony CB13-2020.docx

[Note: This email originated from outside of the organization. Please only click on links or attachments if you know the sender.]

Dear Councilmembers,

Please see the attached testimony on CB13-2020.

Thanks for reading,
Bill McCormack Jr.

Withdraw CB13-2020

My official personal position as Co-Chair of the Housing Opportunities Master Plan Task Force is withdraw CB13-2020, the Affordable Housing Retention Act, and let the Task Force create the Master Plan.

County Executive, Dr. Calvin Ball, created the Housing Opportunities Master Plan Task Force. The County Council approved the budget with \$400,000 for the Task Force consultant.

Goals of the Housing Opportunities Master Plan

- Inclusiveness, equity, openness, transparency and accountability
- Assessment of housing programs/policies in all departments/agencies of Howard County Government to improve efficiency and effectiveness
- Providing metrics, timelines to measure progress toward achieving goals
- Identifying ways to create and preserve housing opportunities for residents of all incomes

The Task Force held its first work session in early February and plans call for completion of the Master Plan Final Report to the County in early December, 2020.

The Task Force of about 30 members, who have expertise in a broad spectrum of backgrounds, will spend this year analyzing and studying current policies and practices and recommending changes to better position the county to offer housing opportunities for residents of all incomes throughout the county.

Please let the Task Force do its job and withdraw CB13-2020.

Going forward it would be helpful to put a moratorium on all housing bills until after the Master Plan has been completed and approved.

Thanks for reading.

Bill McCormack Jr.
9569 Patchin Court
Columbia, 21045

Sayers, Margery

From: Jones, Diane
Sent: Saturday, March 28, 2020 11:36 AM
To: Sayers, Margery
Subject: FW: HAC Comments- CB 13-2020
Attachments: CB 13 Comments.docx

Hi Margery,

For CB13.

D.

From: Jacqueline Eng <jleng1747@gmail.com>
Sent: Friday, March 27, 2020 10:11 AM
To: Rigby, Christiana <crigby@howardcountymd.gov>; Jones, Opel <ojones@howardcountymd.gov>; Walsh, Elizabeth <ewalsh@howardcountymd.gov>
Cc: Gelwicks, Colette <cgelwicks@howardcountymd.gov>; Jones, Diane <dijones@howardcountymd.gov>
Subject: HAC Comments- CB 13-2020

[Note: This email originated from outside of the organization. Please only click on links or attachments if you know the sender.]

Council members Mercer-Rigby, Walsh and Jones,

The Howard County Housing Affordability Coalition appreciates and supports CB 13-2020 with a few suggested amendments. Attached are the Coalition's comments, which we are available to discuss with you when these challenging times enable you to get back to consideration of CB 13.

Please accept our sincere congratulations on how you and your fellow Council members and your staffs have been managing Council business and community engagement during this COVID 19 emergency. Let us know if there is anything we can do to help facilitate communications within the affordable housing community.

Jackie Eng, Coalition Coordinator

Howard County Housing Affordability Coalition

March 27, 2020

Council members Christiana Mercer-Rigby, Opal Jones and Liz Walsh
Howard County Council
George Howard Building
Ellicott City, MD

Re: Affordable Housing Retention Act, Council Bill 13-2020

Dear Ms. Mercer-Rigby, Dr. Jones and Ms. Walsh,

Our Coalition of individuals and organizations appreciates your continuing recognition of and willingness to identify solutions to the extraordinary need for affordable housing for households with incomes below sixty percent of Howard County's median income. We know that CB 13-2020 is intended to and can be an important new policy tool in helping to preserve current affordable housing and bringing new affordable units into the County's inventory, and that this is a policy that has been used successfully in other jurisdictions to achieve these purposes. We, therefore, support CB 13-2020 with the suggestion that it will benefit from a few amendments.

To that end, the Coalition suggests an amendment that would add a Sunset provision to take effect two years from implementation of the Bill. Such a provision would enable the Howard County Department of Housing and Community Development and Housing Commission to not miss any right of first refusal opportunities that may arise in the near term, but would also enable a sufficient period of time to fit the policy into a broader County housing strategy or recommend that it be allowed to sunset. A Sunset provision would also provide opportunity for the Housing Opportunities Master Plan Task Force to consider the legislation and include any recommendations in its final report.

Additional comments:

- Section 13.1403(G) – Foregoing the Right to Purchase. As written “senior” can be interpreted as housing for seniors at any income level. Language such as “affordable, including senior” would be consistent with legislative intent. Language such as “affordable, including housing for seniors, persons with disabilities and other special populations,” would better capture the totality of needs in the county. Or, eliminating “senior” and letting “affordable” represent the totality is an option.
- Section 13.1405. Affordable Units.
 - Substituting “40 years” for “in perpetuity” would be consistent with the state's LIHTC program and the period imposed on the inclusionary units in Downtown Columbia. Such consistency would facilitate financing opportunities.
 - Codifying maintaining *20 percent of units* at income levels at or below moderate-income would be a strong statement of the County's long-term commitment to affordable housing.

Please let us know if you wish to discuss these comments, or if we can do anything to facilitate conversations with other parties that can lead to consensus on the need for this new policy tool.

Respectfully,

Jackie Eng

Jackie Eng, Coalition Coordinator
Jleng1747@gmail.com
410-808-9677