

CB14-2020

**Sayers, Margery**

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**From:** Angelica Bailey <abailey@marylandbuilders.org>  
**Sent:** Monday, April 6, 2020 12:37 PM  
**To:** Rigby, Christiana; 'Opel Jones'; Jung, Deb; Walsh, Elizabeth; Yungmann, David  
**Cc:** Knight, Karen; Facchine, Felix; Harris, Michael; Williams, China; Dvorak, Nicole; Sidh, Sameer; Gowan, Amy; CouncilMail; Jason van Kirk; Lori Graf  
**Subject:** MBIA Letter In Opposition re. CB14-2020  
**Attachments:** MBIA Opposition Letter to CB14 – Housing Allocations.pdf

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

Good Afternoon,

Please find MBIA's letter in opposition of Council Bill 14-2020 attached.

Best,  
Angelica Bailey

Angelica Bailey, Esq.  
Vice President of Government Affairs  
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April 6, 2020

**Re: OPPOSITION TO CB14-2020 – Housing Allocations**

Dear Chairwoman Jung and Members of the Howard County Council:

The Howard County Chapter of the Maryland Building Industry Association (MBIA) writes in opposition to Council Bill 14-2020, which would exclude all prior available housing allocations from the rolling average, starting July 1, 2020, and prohibit more than 10% of the allocations from the preceding year from being included in the recalculation of the rolling average.

While it appears that there have been sufficient housing allocations to meet the number of units requested since July 2015, this doesn't account for the type of housing demanded. The General Plan distributes allocations among five geographic categories: Growth & Revitalization; Established Communities; Rural West; Downtown Columbia; and Green Neighborhoods. These categories do not receive the same numbers of allocations, and there is not equal demand for building in across all categories. An "excess" of allocations in one area does not necessitate significant restrictions across the board; doing so would artificially restrict supply and further increase the cost of housing in areas that are in demand.

Limiting allocations in this manner would also hurt the County financially. Housing allocations weren't designed to be a growth limiting tool, but a goal; the County needs these pre-determined numbers of units to generate revenue it needs to sustain itself. The fact that our industry is not utilizing all the allocations available is bad – it means we aren't building enough for the County to continue to provide quality services. This is evidenced by 2019's Spending and Affordability Report.

This problem will only be exacerbated by a prohibition on rollover allocations; allocations do not guarantee a project will move forward, since it must still pass APFO and the schools test. The loss of the backlog will increase the likelihood that projects that are not awarded allocations in the first year for which they are eligible may be awarded allocations in a later year, only to face a Closed School attendance area and be held in an APFO school bin for one or more years. Except for the West, many of the areas in the Planned Service Area that are Open today are projected to be Closed with the adoption of the May 2020 APFO School Capacity Chart.

As our economy heads towards a recession, we need new development to generate revenue for Howard County. The Department of Planning and Zoning has begun the process to develop a new General Plan to govern growth, and the department has reported that the new plan will likely re-set the housing allocation amounts that are currently in effect. Things will change again in just a few years. We should be encouraging new development in the areas predetermined by the General Plan until then. Additional restrictions at this time are fiscally irresponsible.

For these reasons, the MBIA is opposed to this legislation, and asks you please vote against Council Bill 14-2020.

Thank you for your attention to this issue and your continued support of the local home building industry. If you have any questions about these comments and would like to discuss MBIA's position further, please do not hesitate to contact me at [abailey@marylandbuilders.org](mailto:abailey@marylandbuilders.org) or (202) 815-4445.

Best regards,

Angelica Bailey, Esq., Vice President of Government Affairs

Cc: Councilman Opel Jones  
Councilmember Christiana Mercer Rigby  
Councilman David Yungmann

County Executive Calvin Ball  
Sameer Sidh, Chief of Staff to the County Executive  
Councilmember Elizabeth Walsh

## Sayers, Margery

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**From:** Lisa May <lisavm78@vt.edu>  
**Sent:** Monday, April 6, 2020 12:09 PM  
**To:** CouncilMail  
**Subject:** HCAR Comments on CB-14  
**Attachments:** HCAR comments on CB 14-2020.pdf

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

Good afternoon Council Members,

On behalf of the Howard County Association of REALTORS, please find attached our comments on CB 14, which you will consider during today's public hearing and legislative session. If you have any questions or concerns, please do not hesitate to contact us.

We hope that you and County staff stay safe and well during this time.

Best regards,  
Lisa May  
HCAR





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April 6, 2020

The Honorable Deb Jung, Chairperson  
Howard County Council  
George Howard Building  
3430 Court House Drive  
Ellicott City, MD 21043

RE: CB 14-2020, Housing Unit Allocations

Chairperson Jung and Members of the Council,

On behalf of the Howard County Association of REALTORS® (HCAR), an organization representing over 2,000 real estate professionals, we write to offer our opposition to CB 14-2020 as currently written.

Over the past decade, Howard County has experienced a strong real estate market fueled by robust buyer demand and historically low interest rates. HCAR must caution that this was not always the case in the past and is not guaranteed to continue indefinitely. Normal market fluctuations or broader economic downturns will certainly reduce the demand for housing allocations in certain years. If the County restricts the market's ability to recover from a downturn when it occurs, our existing housing shortages will grow that much more severe, and our housing affordability challenges will grow exponentially.

In just the short amount of time between when CB 14 was introduced until today's public hearing, we have experienced an abrupt change in virtually every aspect of our economy, the housing market included. We do not yet know what the short or long-term impacts will be on housing demand or production. That makes the timing of this proposal particularly fraught with unforeseen consequences.

Selecting a ten percent cap on the number of housing allocations which can roll over will hamper the County's ability to recover from a real estate or economic slowdown, will reduce housing choice in the County, and will push homeownership further out of reach for Howard residents who are already struggling with high prices and low supply. HCAR urges you to reconsider imposing this strict and arbitrary cap on housing unit allocation rollovers.

Sincerely,

Lisa Wissel  
President, Howard County Association of REALTORS®