

Office of the County Auditor
Auditor's Analysis

Council Bill No. 45-2020 (ZRA 191)

Introduced: September 8, 2020

Auditor: Lisa Geerman and Ed Shulder

Fiscal Impact:

This fiscal impact of this bill is unknown at this time.

Possible revenues from projects constructed as a result of this legislation could include income tax revenue from new residents. County revenues could be reduced due to lower property taxes or Payments in Lieu of Taxes (PILOT) granted to project developers.

Expenditures could include costs of development (to the extent that the County funded projects) and costs associated with adding enrollment to County schools.

The Administration noted that a project being considered if this bill passes will be funded primarily using State of Maryland funds for low-income housing tax credits (LIHTC) and will not require County funds.

Purpose:

This bill revises the definition of Housing Commission Housing Development (Commission) to include Howard County Government (Howard County) so that the Department of Housing and Community Development (Department) can facilitate the construction of affordable housing on non-residentially zoned land.

The bill allows the Planning Board to approve an additional 12 acres of housing developments on non-residentially zoned land owned by Howard County or for housing developments owned by a business entity in which Howard County is a general partner or managing partner over a three-year period.

Other Comments:

This bill blurs the distinction between the roles of the Department and the Commission. They were previously one entity and were separated in 2017 in order to better define their roles. Documents which support the basis of the change can be found on the website under related documents.

According to the Administration, the Department wants to have the same ability to create affordable housing that the Commission has, and passage of this bill will expand development opportunities for affordable housing in the County.

The impetus for the bill was a proposed partnership with the Howard County Autism Society (Autism Society). The Autism Society is interested in constructing a new multi-generational housing project that will provide approximately 78 affordable rental units for seniors, families, and adults with disabilities on a five-acre parcel of land in Columbia. Mission First is the developer.

According to the Commission, they have told Mission First that they could use their authority to support the project, but it might delay other projects. The Commission generally supports the project but believes a number of financing issues would need to be resolved before they could take it to their board for approval.

The bill will increase the total number of acres that can be developed in non-residential districts by the Department and the Commission to 24 acres in a three-calendar year period. There are approximately 3,110 acres of non-residentially zoned land available.

All new housing developments are subject to the County's Adequate Public Facilities Ordinance (APFO).

The Administration stated that it is sending a support letter for the project in which they commit to considering a PILOT as part of the project's LIHTC application.