

County Council of Howard County, Maryland

2022 Legislative Session

Legislative Day No. 7

Resolution No. 78 -2022

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 4, 2022.

By order

Michelle Harrod
Michelle Harrod, Administrator

Read for a second time at a public hearing on May 16, 2022.

By order

Michelle Harrod
Michelle Harrod, Administrator

This Resolution was read the third time and was Adopted , Adopted with amendments , Failed , Withdrawn , by the County Council

on May 25, 2022.

Certified By

Michelle Harrod
Michelle Harrod, 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 2023 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 25 day of May, 2022 that it adopts the rate schedule for the fee-in-
15 lieu for moderate income housing as attached to this Resolution:

16
17 **BE IT FURTHER RESOLVED** that the schedule of rates shall be effective on July 1,
18 2022 and shall continue in effect until changed or repealed by subsequent resolution of the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**

[[~~\$2.83~~]] ~~\$2.96~~ \$3.22 per square foot of residential space for each unit in the development

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This Resolution was read the third time and was Adopted __, Adopted with amendments __, Failed __, Withdrawn __, by the County Council on _____, 2022.

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Amendment 1 to Council Resolution No. 78 - 2022

BY: Liz Walsh

Legislative Day 8

Date: May 25, 2022

Amendment No. 1

(This amendment alters the method for calculating the fee-in-lieu for moderate income housing.)

1 On the title page, in the title, strike “setting the fee-in-lieu rate” and substitute “altering the
2 calculation of the fee-in-lieu”.

3
4 On page 1, strike lines 4 through 15 in their entirety and substitute:

5
6 “WHEREAS, the current fee-in-lieu of building moderate income housing units vastly
7 underrepresents the cost per square foot of constructing housing in Howard County; and

8
9 WHEREAS, as a result, there is a financial disincentive to build moderate income
10 housing units under the current fee-in-lieu rate schedule.

11
12 NOW, THEREFORE, BE IT RESOLVED by the County Council of Howard County,
13 Maryland this ___ day of _____ 2022 that the fee-in-lieu for moderate income housing shall be
14 calculated according to the language originally proposed in Council Bill 35-2013 as follows:
15

1 (1) The fee-in-lieu shall be calculated as the difference between the prevailing market
2 price and the moderate income housing unit price of a three-bedroom single-family attached unit;
3 provided, however, the fee-in-lieu shall not be less than seven and one-half percent of the sale
4 price for the moderate income housing unit;

5
6 (2) The prevailing market price shall be determined by a survey of sales prices of three-
7 bedroom single-family attached units sold county-wide within the previous 6 months as reported
8 by the Metropolitan Regional Information System (MRIS);

9
10 (3) Sales of the following units shall be excluded from the survey:

11
12 (i) Townhomes less than 1,200 square feet and more than 2,000 square feet;

13
14 (ii) Units in poor condition or in need of significant repair or renovation; and

15
16 (iii) The three highest and three lowest sales prices;

17
18 (4) The Department shall conduct the survey as of June 1 and December 1 of each year.
19 The fee-in-lieu shall be reviewed and approved by the Housing and Community Development
20 Board and published on the County's website together with the base sales prices and rents for
21 moderate income housing units.

22
23 (5) If the calculation to determine the number of moderate income housing units required
24 by a development under the Zoning Regulations results in a fraction of a unit, the fee-in-lieu
25 shall be pro-rated for the fractional unit."

1 On page 1, in line 17, strike “schedule of rates” and substitute “the method for calculating the
2 fee-in-lieu for moderate income housing in this Council Resolution” and strike beginning with
3 “and” in line 18 down through “Council” in line 19 and substitute through June 30, 2023.”.

4 Strike in its entirety the Fee-In-Lieu for Moderate Income Housing Rate Schedule attached to
5 Council Resolution No. 78-2022.