

Amendment 2 to Amendment No. 115 to Council Bill No. 28 -2023

**BY: The Chairperson at the Request
of the County Executive**

**Legislative Day 12
Date: October 11, 2023**

Amendment No. 2 to Amendment No. 115

(This Amendment to Amendment No. 115 edits statements about the benefits of missing middle housing types as opportunities to advance a greater socio-economic balance in all communities.)

- 1 Substitute page 1 of Amendment 115 with the attachment to this Amendment to Amendment.
- 2
- 3 In Chapter 6, Dynamic Neighborhoods, substitute page DN49 attached to Amendment No. 115
- 4 with revised page DN49 as attached to this Amendment to Amendment.

Amendment 115 to Council Bill No. 28 -2023

BY: Deb Jung

Legislative Day 11

Date: 10/02/2023

Amendment No. 115

(This Amendment makes the following changes to HoCo by Design Chapter 6:

Chapter 6: Dynamic Neighborhoods - Amends the “Opportunities to increase the Supply of Income-Restricted Housing Units section of the DN-4 Policy Statement by ~~deleting the second sentence in the third paragraph and adding language concerning the ability of developers to pay a fee-in-lieu (FIL) which can result in economic segregation and requiring that developers use specified Missing Middle housing prototypes that will alleviate the need to build off-site and provide a greater socio-economic balance~~ However, as HoCo By Design promotes the development of missing middle housing types throughout the County, these housing types offer opportunities to advance a greater socio-economic balance in all communities. ~~The County should determine how missing middle housing types can complement the MIHU program to create more mixed-income neighborhoods~~ that HoCo By Design promotes the development of missing middle housing types throughout the County, these housing types offer opportunities to advance a greater socio-economic balance in all communities. The County should determine how missing middle housing types can complement the MIHU program to create more mixed-income neighborhoods.)

1 In the HoCo By Design General Plan, attached to this Act as Exhibit A, amend the following
2 pages as indicated in this Amendment:

- 3 • Chapter 6: Dynamic Neighborhoods, page 49.

4

5 Correct all page numbers, numbering, and formatting within this Act to accommodate this
6 amendment.

7

afforDable housing OverLay District ConsiDerations

According to the Housing Opportunities Master Plan, the overlay district should:

- Identify neighborhoods with few existing housing options for low- and moderate-income households.
- Include incentives to encourage the production of additional affordable and/or accessible units beyond the MIHU baseline rules.
- Allow affordable housing development proposals that meet specified criteria to proceed by-right, or without the need for additional reviews and approvals. To qualify, an affordable housing development should reserve a significant portion of units at 60% of AMI and be subject to a long-term use restriction, provide accessible and visitable units beyond the minimum required by law, and fall within a range of parameters related to form, density, massing, setbacks, parking, etc.
- Expand below-AMI housing opportunities in larger areas of the County to address de-concentration of poverty for redevelopment or preservation projects within the wider context of the County as a whole.
- Consider areas of the County where existing infrastructure is underutilized and therefore could support additional residential density with limited new public investment.
- Encourage greater racial and socioeconomic integration by increasing affordable housing opportunities throughout Howard County, especially in locations that do not have them at this time.

There are circumstances in which land and construction costs make it challenging for developers to produce income-restricted units on-site, primarily in the case of single-family detached and age-restricted housing developments. ~~For these two housing types, Howard County therefore allows developers to pay a fee-in-lieu (FIL) instead of providing the units on-site, which is a practice that other jurisdictions also use to advance affordable housing goals. For these two housing types, Howard County therefore allows developers to pay a fee-in-lieu (FIL) instead of providing the units on-site, which is a practice that other jurisdictions also use to advance affordable housing goals. For these two housing types, Howard County therefore allows developers to pay a fee-in-lieu (FIL) instead of providing the units on-site which can result in economic segregation in Howard County. Requiring developers to use the Missing Middle housing prototypes illustrated in the Appendix will alleviate the need to build off-site and provide a greater socio-economic balance in all of our communities.~~ The FIL generates revenue that allows the County to provide gap funding for housing developments with even greater percentages of income-restricted units or even deeper levels of income targeting than what market-rate developments can achieve. However, as HoCo By Design promotes the development of missing middle housing types throughout the County, these housing types offer opportunities to advance a greater socio-economic balance in all communities. The County should determine how missing middle housing types can complement the MIHU program to create more mixed-income neighborhoods.

The MIHU and FIL policies are central elements of the affordable housing strategy in Howard County. The Housing Opportunities Master Plan (HOMP) also notes that income-restricted units not only provide housing options for moderate- and low- income households but can also serve the needs of various other household types, including those with extremely low incomes, persons with disabilities and/or receiving disability income, youth aging out of the foster care system, and persons at risk of or experiencing homelessness, among others. These groups

face unique circumstances and challenges. However, the common thread is that many households with these characteristics may disproportionately struggle to find housing that is both affordable to them and meets their specific needs.

To increase the number of income-restricted units in the County and make more units available to special needs households, the HOMP recommends improvements to the MIHU program, such as additional flexibility to accommodate on-site provisions, incentives to encourage the production of more than the required number of units, greater shares of accessible and visitable units for those with disabilities, and/or deeper levels of income targeting. The HOMP also recommends that the County establish various growth and development targets to demonstrate a clear commitment to increasing the supply of homes affordable to low- and moderate-income households and persons with disabilities and special needs, including the following.

- **Affordability Target:** The greater of at least 15% of all net new housing units should be available to households making less than 60% of AMI each year.
- **Accessibility Target:** At least 10% of new housing units affordable to households making less than 60% of AMI should be physically accessible for persons with disabilities. This target should be supplemented with concerted efforts to facilitate accessibility improvements to the existing ownership and rental stock to better enable integrated aging in place.

In addition to the MIHU program, the County encourages affordability with financial incentives to residents. For example, the County currently offers downpayment assistance to low- or moderate-income residents seeking to purchase a home through the Settlement Downpayment Loan Program.

The County could also encourage greater affordability through the Zoning Regulations by providing density bonuses or other incentives to developers and property owners in exchange for meeting affordable housing goals. The County should create a working group to examine the feasibility of a targeted incentive program, such as a zoning overlay district, to increase the supply of affordable and accessible housing. According to the HOMP, a zoning overlay district could be targeted to areas with limited affordable and accessible housing, and offer incentives to encourage an increase in the supply of affordable housing through tools such as density bonuses, a bonus pool of housing allocations within the Adequate Public Facilities Ordinance Allocation chart (refer to the Managing Growth chapter), and an administrative review processes. Such a program should seek to increase the supply of affordable and accessible housing units at different AMI levels, similar to the multi-spectrum market affordable housing provisions for Downtown Columbia.

— ☺ —
I would want to live in Howard County in 10 years if parks, people, and diversity continue to be a priority, but it would be a matter of cost if I could return.
— ☺ —
- HoCo By Design process participant