

**Amendment 1 to Council Bill No. 4-2023**

**BY: Liz Walsh**

**Legislative Day 2  
Date: February 5, 2024**

**Amendment No. 1**

*(This Amendment strikes alternative compliance options for age-restricted adult housing units and planned senior communities and restores all other provisions relating to alternative compliance for MIHU that were stricken in the bill.)*

1 On the title page, strike the purpose paragraph in its entirety and substitute:

2

3 “AN ACT repealing age-restricted moderate income housing units and planned senior  
4 communities from certain provisions of law that allow for the alternative compliance of  
5 Moderate Income Housing Units restrictions, and generally relating to the sale of moderate  
6 income housing units.

7

8 In the bill, remove pages 1 through 28 in their entirety and substitute:

9

10 “

11 *Section 1. Be it enacted by the County Council of Howard County, Maryland, that the Howard*  
12 *County Code is hereby amended as follows:*

13

14 *By amending:*

15 *Title 13. Housing and Community Development.*

16 *Subtitle 4. Moderate Income Housing Units.*

17 *Section 13.402C. Alternatives to moderate income housing unit obligation*  
18 *in certain zones.*

19

20 **Sec. 13.402C. Alternatives to moderate income housing unit obligation in certain zones.**

21 (a) Application. This section shall apply only to:

1 (1) Residential developments of single-family detached homes offered for sale in the RC,  
2 RR, R-ED, R-20, R-12, and R-SC zoning districts;

3 (2) ~~Age-restricted adult housing and planned senior communities;~~

4 (3-2) Single-family attached homes in R-H-ED; and

5 (4-3) Mixed use developments in MXD.

6 (b) Alternative Compliance. In these developments, instead of providing moderate income  
7 housing units as required by section 13.402 of this subtitle, the developer may pursue one or  
8 a combination of the alternatives set forth in subsection (c), (d) or (e) of this section.

9 (c) Substitute Units. The developer may substitute units by purchasing, rehabilitating, and  
10 offering for sale existing housing units that are located throughout the County as follows:

11 (1) The Department must approve each substitute unit before purchase by the developer,  
12 and shall ensure that the substitute unit provides the same number of bedrooms as  
13 planned for the on-site unit;

14 (2) The rehabilitation of each substitute unit shall meet the Department's minimum  
15 standards, as determined by regulation of the Department;

16 (3) Upon completion of rehabilitation, the Department must approve each completed unit  
17 before resale;

18 (4) A developer shall purchase and rehabilitate the unit and request a priority period, as set  
19 forth in section 13.404 of this subtitle, within one year of the developer's initial  
20 notification of sale under section 13.404;

21 (5) The sales price for a substitute unit shall be the lowest of the following:

22 (i) The moderate income housing unit price determined by the Department at the  
23 time of the developer's request for a priority period for the substitute unit; or

24 (ii) The developer's actual cost of purchasing, rehabilitating, and selling the substitute  
25 unit, including actual and reasonable carrying costs; and

26 (6) A developer shall purchase substitute units of the following types and at the following  
27 ratio:

<u>TYPE OF REQUIRED MIHU</u>	<u>TYPE OF SUBSTITUTE UNIT</u>	<u>RATIO</u>
<u>Apartment</u>	<u>Apartment</u>	<u>1:1</u>
<u>Apartment</u>	<u>Single-family, attached</u>	<u>3:2</u>
<u>Apartment</u>	<u>Single-family, detached</u>	<u>2:1</u>
<u>Single-family, attached</u>	<u>Apartment</u>	<u>2:3</u>
<u>Single-family, attached</u>	<u>Single-family, attached</u>	<u>1:1</u>
<u>Single-family, attached</u>	<u>Single-family, detached</u>	<u>3:2</u>
<u>Single-family, detached</u>	<u>Apartment</u>	<u>1:2</u>
<u>Single-family, detached</u>	<u>Single-family, attached</u>	<u>2:3</u>
<u>Single-family, detached</u>	<u>Single-family, detached</u>	<u>1:1</u>

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2

3 (d) Offer to Low-Income Purchasers. The developer may substitute units by offering one-third  
4 of the moderate income housing units required under this subtitle to eligible low-income  
5 purchasers who shall have an annual household income of up to 60 percent of the median  
6 income. The purchase price for these units shall be established in the same manner as set  
7 forth in section 13.403 of this subtitle, except that the base price shall be affordable to a  
8 purchaser with a household income equal to the following percentages of median income,  
9 adjusted by family size appropriate to the size and number of bedrooms in the unit:

10 (1) Fifty-five percent for proffered units and single-family detached homes;

11 (2) Fifty percent for semi-detached (duplexes) and single-family attached (townhomes);

12 and

13 (3) Forty-five percent for apartments (condominiums).

14 (e) Fee-In-Lieu. The developer may pay a fee-in-lieu to the Department for each unit in the  
15 development or portion of the development that is not providing MIHUs onsite:

16 (1) The fee-in-lieu shall be based on the square footage calculated by the County for  
17 purposes of determining a unit's building excise tax when applying for a building  
18 permit for the development;

- 1       (2) The fee-in-lieu shall be set yearly by Council resolution based upon the percentage of  
2           increase in the ENR Construction Cost Index for the Baltimore Region as reported in  
3           ENR, Engineering News Record;
- 4       (3) The fee-in-lieu shall be published on the County's website together with the base sales  
5           prices and rents for moderate income housing units;
- 6       (4) If the developer chooses to provide a portion of the required MIHUs on site, the fee  
7           shall be prorated accordingly.
- 8       (5) Except as provided in paragraph (a) of this section, a developer may not pay a fee in  
9           lieu of a single-family attached or apartment moderate income housing unit ~~except in~~  
10          ~~an age-restricted adult housing or planned senior community;~~
- 11       (6) A developer shall pay the fee-in-lieu for each unit at the time a building permit is  
12          issued;
- 13       (7) The fee-in-lieu collected by the Department shall be used for the following:
- 14           (i) The Settlement Downpayment Loan Program;
- 15           (ii) The Rehabilitation Loan Program;
- 16           (iii) Grants to other County entities, the Howard County Housing Commission or local  
17            non-profits for rental housing subsidies, the purchase and rehabilitation of existing  
18            properties for sale or rent to low or moderate income households, emergency  
19            eviction support, or other housing opportunities for low and moderate income  
20            households; and
- 21       (8) By February 1 of each year, the Department shall provide a detailed annual report to  
22           the Council of each collection and expenditure of all fee-in-lieu funds for the prior  
23           calendar year.
- 24       (9) In census tract block group where the poverty level is ten percent or greater according  
25           to the most recent census, the fee-in-lieu collected by the Department shall be used  
26           only for the Settlement Downpayment Loan Program and the Rehabilitation Loan  
27           Program.

1 (f) Multi-Plex Dwellings. Notwithstanding section 13.402(d) of this subtitle, any development  
2 of single-family detached dwelling units may provide moderate income housing units on  
3 site in the form of multi-plex dwelling units in accordance with the applicable provisions of  
4 the Zoning Regulations.

5  
6 *Section 2. Be it further enacted by the County Council of Howard County, Maryland, that this*  
7 *Act shall become effective 61 days after its enactment.*

8  
9 ”