



Howard County

HOUSING



MIHU Report

August 2015

Department of Housing and Community Development

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PROGRAM SUMMARY

Welcome to the MIHU Monthly Report. The report is posted monthly on the County website at www.howardcountymd.gov (click on “Departments – Housing and Community Development”).

The MIHU Program is an inclusionary zoning program that requires developers of new housing in specific zoning districts to sell or rent a portion of the dwelling units to households of moderate income. MIHUs are sold or rented through Howard County Housing at affordable prices and rents. MIHUs are interspersed throughout each development and residents enjoy all of the amenities in the community.

A household of moderate income is defined as one whose household income does not exceed 80% of the Howard County median income for purchasers and 60% of the Howard County median income for renters. The Howard County median income for 2015 is \$109,476. All types of dwelling units are available for purchase or rent, from apartment-style dwellings and condominiums, to townhouses and single-family detached dwellings. The purchase price and rental rate for each type of MIHU is calculated according to an affordability formula established by the MIHU regulations. MIHU prices are set twice a year. Applications for the program can be obtained during open enrollment periods at the Howard County Housing office, by calling (410) 313-6318, option 4, or online at www.howardcountymd.gov.

MIHU pricing and standards changed on July 1, 2015. The Howard County median income remained the same at \$109,476, but a reduction in the FHA mortgage insurance premium caused an increase in the MIHU base sales prices. The new pricing schedules can be accessed on the housing department’s website at <http://www.howardcountymd.gov/mihudevelopers.htm>.

Compliance reports have been received from all of the rental communities with an MIHU requirement. The reporting process is necessary to ensure that the MIHU rental units are leased to income eligible households. Monitoring and on-site compliance visits have been completed. Final reports will be completed this summer and are available upon request.

New MIHU rental rates and applications have been provided to the rental communities with MIHUs. The new rental rates will be effective for lease periods beginning July 1 through December 31, 2015. The new rental rates and rental community contact information is available by phone, mail, email and on the website. A survey of market rents is done in July each year. The chart on page 4 has been updated to reflect the difference between market rents and MIHU rents.

An MIHU agreement and declaration of covenants is pending review and signature by the developer of the Buch Apartments (aka The Vine) in Laurel. The community of 283 new rental units will add 43 MIHUs to the program.

The 4th Annual Housing Matters Mini Fair is scheduled for Saturday, September 19, 2015, from 9:00 am to 1:00 pm at the Ascend One building on Stanford Boulevard in Columbia. The Mini Fair will offer 15 education sessions focusing on renting or buying in Howard County. Guidewell Financial Solutions will provide free credit reports and credit counseling to attendees. More information is available on the website or by contacting the office.

Kelly A. Cimino
Chief of Housing Opportunities Programs

MIHU HOMEOWNERSHIP

MIHU buyers are under contract and awaiting completion of their new homes in the following communities: Ellicott Crossing in Ellicott City (3), Howard Square in Elkrigde (3), Legacy at Cherry Tree in Laurel (2) and Oxford Square in Hanover (4).

There were 4 MIHU closings in August: Ellicott Crossing (1), Fox Hunt Estates (1), Howard Square (1) and Oxford Square (1). The Housing Commission is under contract to purchase 2 units (1 at Howard Square and 1 at Fox Hunt Estates) to keep them in the program. After settlements in mid-September, staff will resell the units to MIHU households. Two (2) units at Howard Square and one (1) unit at Ellicott Crossing are currently in priority periods. Lotteries will be scheduled in September to award available units.

Pending MIHU agreements or amendments:

Morris Place – The MIHU agreement and declaration for Phase V is pending signatures. Phase V will add 34 townhouse units, including 6 MIHUs, to the community.

Shipley’s Grant – The MIHU agreement and declaration for Phase VII is pending signatures. Phase VII will add 13 townhouse units, including 2 MIHUs, to the community.

Homeownership unit activity for August 2015:

Development	Status	Total Units	MIHU Required	LIHU Required	Awarded	Pending
Ellicott Crossing	UC	154	16	0	14	3
Fox Hunt Estates	UC	32	4	0	4	1
Howard Square	UC	413	55	0	22	4
Legacy at Cherry Tree	UC	152	4	3	7	2
Oxford Square	UC	197	31	0	13	4

MIHU program activity for closed homeownership transactions is noted here:

Development	Status	Total Units	MIHUs Required	LIHUs Required	Awarded	Pending	Closed 2007-2014	Closed 2015
Belmont Station Townhomes	C	110	17		17	0	17	0
Cherry Tree Townhomes	C	110	17		17	0	17	0
Dorset Gardens at Blue Stream	PC/C	230	44		14	0	14	0
Elkrigde Crossing Townhomes**	PC/C	200	21		4	0	4	0
Elkrigde Crossing Condos	PC/C	64	10		10	0	10	0
Ellicott Crossing Townhomes*	UC	154	16		14	3	4	7
Fox Hunt Estates*	UC	32	4		4	1	2	1
Gatherings at Ellicott Mills**	C	127	10	1	7	0	7	0
Gatherings at Jefferson Place**	C	135	14		9	0	9	0
Guilford Mews Townhomes**	UC	26	3		0	0	0	0
Howard Square Townhomes*	UC	413	55		22	4	13	5
Jones Station**	C	22	3		0	0	0	0
Legacy at Cherry Tree Condos	UC	152	4	3	7	2	4	1
Oxford Square*	UC	197	31		13	4	3	6
Riverwalk Townhomes	C	58	6		6	0	6	0
Shipley’s Grant Townhomes	UC	332	14		12	0	12	0
Simpson Mill	UC	150	0	5	5	0	5	0
Village Towns Townhomes**	C	259	23		14	0	14	0
TOTALS		2771	292	9	175	14	141	20

*updated August 2015

**alternative compliance or released units

MIHU RENTALS

Rental MIHUs are currently offered at Alta at Regency Crest (Ellicott City, age-restricted), Ashbury Courts (Laurel), Belmont Station (Elkridge), Mission Place (Jessup), Orchard Meadows (Ellicott City), Orchard Park (Ellicott City), Penniman Park (Elkridge) and Woodfield Oxford Square (Hanover). MIHU rental applications are available year round and offered on a first come, first serve basis at participating communities.

A new rental community, Woodfield at Oxford Square, opened in August. The MIHU For Rent flyer was updated with information about this new community. Since opening, interest from potential tenants has been very high and Bozzuto has already signed leases with 32 new MIHU tenants.

MIHU rental activity for August 2015:

Development	Status	Total Units	On-site MIHU Requirement	Pending	Rented	Market Rent**	MIHU Rent*	Difference
Aladdin South	C	39	39	0	39			
Alta at Regency Crest	C	150	15	0	15	\$2235	\$1268	\$967
Annapolis Junction Town	UC	416	32	32	0			
Ashbury Courts	C	156	24	3	21	\$1560	\$1268	\$292
Belmont Station	C	208	32	0	32	\$1828	\$1302	\$526
Burgess Mill Station	C	198	20	0	20			
Columbia Landing	C	300	60	0	60			
Deep Falls	PC	60	60	60	0			
Ellicott Gardens	C	106	103	0	103			
Howard Square	PC	654	69	69	0			
Miller's Grant	PC	286	29	29	0			
Mission Place	C	366	61	0	61	\$1690	\$1268	\$422
Monarch Mills	C	269	27	0	27			
Oakland Place	C	16	2	0	2	\$2000	\$1606	\$394
Orchard Meadows	C	150	15	0	15	\$1598	\$1287	\$311
Orchard Park	C	40	4	4	0	\$1695	\$1287	\$408
Penniman Park	C	186	19	0	19	\$1685	\$1287	\$398
Parkview at Emerson	C	80	80	0	80			
Riverwatch	PC	84	42	42	0			
Woodfield Oxford Square*	UC	248	38	38	32	\$2000	\$1268	\$732
TOTALS		4012	771	277	526			

*updated August 2015

**for 2 bedroom unit – Revised July 2015

MIHU RESALE

Resale requests have been received from several homeowners (Belmont Station, Cherry Tree, Legacy at Cherry Tree and Shipley's Grant). The priority period for the Belmont Station units expired so the homeowner will sell it at market rate and split the proceeds with the County when it sells. The Commission closed on the Cherry Tree townhouse on August 3, 2015. The home will be resold to an MIHU household at an upcoming lottery. The Shipley's Grant resale unit is under contract and closing is scheduled for September 21, 2015.

Previous MIHU resale activity (only communities with resale activity are shown here):

Development	Status	First owner	Second Owner	Third Owner
Belmont Station	C	17	0	0
Cherry Tree Townhomes	C	17	2	0
Elkridge Crossing Condos	C	10	6	1
Legacy at Cherry Tree Condos	C	5	1	0
Shipley's Grant	C	12	1	0
Village Towns	C	14	3	0

MIHU RELEASE

The MIHU regulations offer developers the options for alternative methods of program compliance. Council Bills 34 and 35 defined alternative methods of compliance so developers and builders can make decisions about their projects in advance of the site development process. Allowing alternative methods of compliance can help the Department keep units in the program rather than releasing them at a later time.

Previous MIHU release activity (only communities with release activity are shown here):

Development	Status	Units Released	Reason	2009-2013	2014	2015
Dorset Gardens Townhomes	C	10	MIHU price	10	0	
Elkridge Crossing Townhomes	C	4	Market conditions	4	0	
Gatherings at Ellicott Mills	C	4	Age-restricted	0	4	
Gatherings at Jefferson Place	C	5	Age-restricted	5	0	
Guilford Mews Townhomes	UC	3	Age-restricted	3	0	
Jones Station	C	3	Age-restricted	3	0	
Village Towns Townhomes	C	2	Market conditions	2	0	
TOTAL		31		27	4	0
Key PC - Pending Construction/ UC – Under Construction/ C - Complete						

*updated August 2015

FEE-IN-LIEU

One method of alternative compliance is a fee-in-lieu option. Developers of single family, detached dwellings may pay a fee-in-lieu instead of providing MIHUs in the following zoning districts: RC, RR, R-ED, R-20, R-12, and R-SC. Developers of age-restricted, planned senior communities, single family attached dwellings in R-H-ED and mixed use developments in MXD are also eligible for the fee-in-lieu option. Developers are instructed to contact Housing for an MIHU agreement when they receive a Technically Complete letter from Planning and Zoning. The fee-in-lieu for each project must be paid before the first use and occupancy permit is issued.

Several developers have signed fee-in-lieu agreements with the Department for new projects in eligible zoning districts. The County's Office of Inspections and Permits will collect the fee in lieu. The Department is tracking this information to comply with the legislation's reporting requirements and to determine potential revenue for future projects. An annual report of fee-in-lieu revenue and expenditures is required per Section 13.402C.3.8 of the MIHU law. The report for 2014 was submitted to the County Council on January 30, 2015.

Development	Zoning	New lots	Agreement Signed
King Property	R-12	3	pending
Millard Taylor Subdivision	RC-DEO	1	pending