



MIHU Report

June 2017

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 2017 is \$110,892. 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 or online at www.howardcountymd.gov/MIHU. Rental applications are accepted year-round on a first-come, first-serve basis at the rental communities that offer MIHU apartments. Visit our website for a list of participating rental communities.

MIHU pricing and standards will change on July 1, 2017. We contacted 5 lenders on June 1st to obtain FHA 30-year fixed interest rate quotes to assist with July 1 pricing calculations. New rental rates were provided to leasing offices in May. New rental rates will be effective July 1 for units leased July 1 – December 31, 2017. Rental rates and rental community contact information is available by phone, mail, email and on the website. The pricing schedules are available at <http://www.howardcountymd.gov/mihudevelopers.htm>.

July is the next open enrollment month for the MIHU homeownership program. An MIHU renters and homebuyers workshop will be scheduled in July. A lunch and learn workshop for County employees will also be scheduled in July. To pre-register for future workshops, potential applicants may send an email to lwiseman@howardcountymd.gov.

Lisa Wiseman

Chief of Housing Opportunities Programs

MIHU HOMEOWNERSHIP

Construction was completed in the Ellicott Crossing development in Ellicott City in June. All MIHUs were awarded in that community. Construction at Dorset Gardens and Howard Square is also nearing completion this summer.

Priority periods in effect in June:

Elkridge Crossing in Elkridge (2), Morris Place in Elkridge (1) and Oxford Square in Hanover (5).

MIHU buyers under contract awaiting completion of their new homes in June:

Foxwood Manor (4) and Oxford Square (2).

Developments with MIHUs under construction:

Development	Status	Total Units	MIHUs Required	LIHUs Required	Awarded	Pending	Closed 2007-2016	Closed 2017
Dorset Gardens at Blue Stream	UC	230	44		28	0	24	4
Elkridge Crossing Townhomes**	UC	200	21		6	0	4	2
Foxwood Manor	UC	37	5		5	4	0	1
Howard Square	UC	413	55		51	0	43	8
Morris Place	UC	87	14		1	0	1	0
Oxford Square Townhomes	UC	197	31		24	0	21	3
Oxford Square Condos	UC	180	31		9	2	3	4
Shiple's Grant	UC	345	16		13	0	13	0
TOTALS		1689	217		137	6	109	22

Developments with MIHUs pending construction:

Development	Status	Total Units	MIHUs Required	LIHUs Required
Joseph's Courtyard**	PC	24	0	1
Long Gate Overlook**	PC	79	0	5
TOTALS		103	0	6

Completed developments with MIHU homes:

Development	Status	Total Units	MIHUs Required	LIHUs Required	Awarded	Closed 2007-2016
Belmont Station	C	110	17		17	17
Cherry Tree Townhomes	C	110	17		17	17
Elkridge Crossing Condos	C	64	10		10	10
Ellicott Crossing	C	154	16		16	16
Fox Hunt Estates	C	32	4		4	4
Gatherings at Ellicott Mills Condo**	C	127	10	1	7	7
Gatherings at Jefferson Pl. Condo**	C	135	14		9	9
Legacy at Cherry Tree Condo**	C	152	4	3	7	7
Riverwalk	C	58	6		6	6
Simpson Mill**	C	150	0	5	5	5
Village Towns	C	259	23		14	14
TOTALS		1351	121	9	112	112

**alternative compliance approved

MIHU RENTALS

MIHU rental applications are available year-round and offered on a first come, first serve basis at participating communities. Compliance audits for all communities with MIHU rentals units began in April. Audits should be completed by mid-June. Results will be provided in next month's report. June Updates:

Development	Status	Total Units	On-site MIHUs	On-site LIHUs	Pending	Rented	Market Rent*	MIHU Rent	Difference
Aladdin South	C	39	39		0	39			
Alta at Regency Crest	C	150	15		0	15	\$2225	\$1279	\$992
Annapolis Junction Town**	UC	416	32		32	0			
Ashbury Courts	C	156	24		3	21	\$1472	\$1279	\$239
Belmont Station	C	208	32		0	32	\$1787	\$1326	\$507
Brompton House 2**	C	193	9	9	0	18			
Ellicott Gardens	C	106	103		0	103			
Miller's Grant	C	286	29		20	9			
Mission Place	C	366	61		0	61	\$1635	\$1248	\$402
Oakland Place	C	16	2		0	2	\$2000	\$1620	\$440
Orchard Meadows	C	150	15		0	15	\$1653	\$1298	\$401
Orchard Park	C	40	4		0	4	\$1663	\$1298	\$411
Parkview at Emerson	C	80	80		0	80			
Penniman Park	C	186	19		0	19	\$1782	\$1298	\$530
Riverwatch**	C	84	42		0	42			
The Vine	UC	283	43		43	0			
Towns at Pine Orchard	C	71	7		0	7		\$1294	
Woodfield Oxford Square	C	248	38		0	38	\$2020	\$1279	\$787
TOTALS		2602	594	9	98	505			

*for 2-bedroom unit-As of July 2016

**alternative compliance approved

Rental Communities with MIHU requirements to be built:

Development	Status	Total Units	On-site MIHU Requirement	On-site LIHU Requirement	Pending	Rented
Deep Falls	PC	60	60		60	0
Howard Square	PC	654	69		69	0
TOTALS		714	129		129	0

MIHU RESALE

Pending MIHU resales at Belmont Station, Dorset Gardens, Howard Square and Oxford Square. Resales at Dorset Gardens and Ellicott Crossing were awarded and are scheduled to close in July and August.

Development	Status	First Owner	Second Owner	Third Owner	Released from program
Belmont Station	C	17	0	0	1
Cherry Tree Townhomes	C	17	1	0	
Dorset Gardens	UC	24	2	0	
Elkridge Crossing Condos	C	10	6	1	
Elkridge Crossing Townhomes	C	4	0	0	1
Ellicott Crossing	C	16	0	0	
Gatherings at Ellicott Mills	C	7	0	0	
Howard Square	UC	51	0	0	
Legacy at Cherry Tree Condos	C	7	1	0	
Oxford Square Townhomes	UC	24	0	0	
Riverwalk	C	6	0	0	
Shipley's Grant	C	13	3	0	
Village Towns	C	14	3	0	

MIHU RELEASE

The Department has released 11 MIHUs from the program since November 2016. The volume of new unit offerings from multiple communities at the same time was greater than the number of income eligible applicants in the database. The Department has awarded 26 units since November. Prior to the separation in July 2016, the Housing Commission would purchase the units for the Department to provide more time to sell them to eligible MIHU households. This is no longer a viable option. At the end of the 120-day priority period, the Department must release the units to the builder as market rate sales. The builder is required to split the net proceeds from any released MIHU sale 50/50 with the County. The Department continues to update the database and market the program to area employers to increase the number of income eligible applicants in the MIHU database.

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

Development	Status	Units Released	Reason	2009-2015	2016	2017
Dorset Gardens	UC	15	Qualifying Income	10	2	4
Elkridge Crossing Townhomes	C	4	Market conditions	4	0	
Gatherings at Ellicott Mills Condos	C	4	Age-restricted	4	0	
Gatherings at Jefferson Pl. Condos	C	5	Age-restricted	5	0	
Guilford Mews	C	3	Age-restricted	3	0	
Jones Station	C	3	Age-restricted	3	0	
Morris Place	UC	4	Qualifying Income	0	0	4
Oxford Square	UC	2	Qualifying Income	0	0	3
Village Towns	C	2	Market conditions	2	0	
TOTAL		42		31	2	11
Key PC - Pending Construction/ UC – Under Construction/ C - Complete						

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 contact the Department for an MIHU agreement when they receive a Technically Complete letter from Planning and Zoning.

The County's Office of Inspections, Licenses 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 affordable housing units and programs. The Department has signed fee in lieu agreements with 33 developers for 278 units through 6/30/17. The FY17 budget spending authority for the fee-in-lieu revenue is \$500,000. The Department spent \$492,883 in fee in lieu funds to provide loans to first-time homebuyers, including \$48,317 in workforce loans, through the Settlement Downpayment Loan Program (SDLP) in 2016.

Development	Zip Code	Zoning	New lots	Agreement Signed
Belvedere Estates	21794	RR-DEO	11	6/26/17
Fawcett Property	21043	R-20	2	pending
Holiday Hills Lots 125-126	21044	R-20	1	pending
Holiday Hills Lot 127-128	21044	R-20	1	pending
Maple Lawn South Phase II	20759	R-ED	108	pending
Trotter Woods Section 2	21029	R-20	7	pending