



MIHU Report

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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 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 2018 is \$120,941. 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.

As of July 1, 2018, new MIHU pricing and standards are in effect. Current MIHU Homeownership Pricing and Standards have been posted publicly and are also available by contacting the office or by visiting our website: <http://www.howardcountymd.gov/mihudevelopers.htm>. Rental rates and rental community contact information is also available by phone, email and on the department website.

In August, DHCD participated in the Howard County Public Schools New Teacher Orientation events to market the MIHU Rental and Homeownership programs. This event is held annually to orient new educators, para-professionals and support staff to programs and resources available within the school system and the County. Howard County public school officials estimate that more than 300 persons attend each year. Contacts for other outreach opportunities were made. Two new educators already in the MIHU database were determined to be mortgage eligible and will likely be selected to participate in upcoming lotteries.

The department closed two sales transactions and initiated priority periods for four MIHU units. Calendar year to date, the Department has initiated priority periods for 20% more units compared to the same time last year. By utilizing a streamlined award system, the department has been and is on track to award units well in advance of priority period expiration dates. The award process changes have been recognized with positive regard by at least one builder. We will continue to fine tune the process to avoid releasing any units from the program.

Beginning in August, MIHU information will be included in the Howard County Employee welcome packets that are disseminated during new hire orientations. Eventually marketing materials designed specifically for Howard County employees (including links to register for upcoming MIHU workshops) will be crafted and will replace generic information. This will ensure new employees have an opportunity to become educated about MIHU rental and homeownership programs immediately following their employment with the County.

Lisa Wiseman
Division Chief
Housing Opportunities Programs

MIHU RENTALS

MIHU rental applications are available year-round and offered on a first come, first serve basis at participating communities. Verde II in Elkrige is under construction and will begin accepting rental applications in October for March occupancy. Dartmoor Place is also under construction for occupancy in 2019. A new community, The Wexley at 100 signed MIHU documents in August. The results are noted here:

Development	Status	Total Units	On-site MIHUs	On-site LIHUs	Pending	Rented	Market Rent*	MIHU Rent	Difference
Azure Oxford Square	C	248	38		0	38	\$1925	\$1411	\$514
Aladdin South	C	39	39		0	39			
Alta at Regency Crest	C	150	15		0	15	\$2300	\$1411	\$889
Annapolis Junction Town**	C	416	32		16	16	\$2565	\$1361	\$1204
Ashbury Courts	C	156	24		3	21	\$1666	\$1411	\$255
Belmont Station	C	208	32		0	32	\$1888	\$1443	\$445
Brompton House 2**	C	193	9	9	0	18	\$1950	\$1443	\$507
Burgess Mill Station II	UC	53	6		6	0			
Ellicott Gardens	C	106	103		0	103			
Howard Square Verde II	UC	344	35		35	0			
Miller's Grant	C	286	29		20	9			
Mission Place	C	366	61		0	61	\$1792	\$1411	\$381
Oakland Place	C	16	2		0	2			
Orchard Meadows	C	150	15		0	15	\$1524	\$1430	\$94
Orchard Park	C	40	4		0	4	\$1950	\$1430	\$520
Parkview at Emerson	C	80	80		0	80			
Penniman Park	C	186	19		0	19	\$1834	\$1430	\$403
Riverwatch I**	C	84	42		0	42			
The Vine	C	283	43		0	43	\$2255	\$1411	\$844
Townes at Pine Orchard	C	71	7		0	7	\$2645	\$1435	\$1210
TOTALS		2946	635	9	80	564			

*for 2-bedroom unit-As of July 2018

**alternative compliance approved

Rental Communities with MIHU requirements to be built:

Development	Status	Total Units	On-site MIHU	On-site LIHU Requirement	Pending	Rented
Beechcrest	PC	64	33		33	0
Oxford Sq./Dartmoor Place	PC	258	39		39	0
Deep Falls	PC	80	55		55	0
The Wexley @ 100	PC	394	40		40	0
TOTALS		796	167		167	0

MIHU HOMEOWNERSHIP

MIHU Properties Pending Award in August:

Oxford Square (4), Shipley's Grant (5), Waverly Grove (2)

MIHU Buyers Under Contract in August Pending Settlement:

Oxford Square/River Overlook (2), Shipley's Grant (3), Waverly Grove (1)

Developments with MIHUs under construction:

Development	Status	Total Units	MIHUs Required	LIHUs Required	Under Contract	Closed 2007-2017	Closed 2018
Elkridge Crossing Townhomes**	UC	200	21		0	7	0
Joseph's Courtyard	C	24	0	1	0	0	1
Morris Place**	UC	87	14		0	1	1
Oxford Sq/Folly Bridge/Springdale	UC	197	31		0	29	0
Oxford Square/Exeter Condos	UC	180	31		0	8	1
Oxford Square/River Overlook	UC	126	19		2	0	2
Shipley's Grant	UC	464	21		3	13	0
Waverly Grove	UC	30	3		1	0	0
TOTALS		1308	140	1	6	58	5

Developments with MIHUs pending construction:

Development	Status	Total Units	MIHUs Required	LIHUs Required
Laurel Park Station	PC	220	34	0
Long Gate Overlook**	PC	79	0	5
Magnolia Manor	PC	59	3	0
Trotter's Knoll	PC	77	8	0
TOTALS		435	45	5

MIHU TRACKING – RESALES and RELEASES

MIHU homes are perpetually affordable. In other words, once the units are designated as MIHUs, they remain in the program in perpetuity. When a builder requests a priority period for new MIHUs, the Department has 120 days to find eligible buyers to purchase the MIHUs. In the event the Department does not provide an eligible buyer within the priority period, the unit is released to the builder to be sold at market rate. When units are sold at market rate as a non-MIHU, the builder is required to split the net proceeds with the County 50/50. Upon receipt of the net proceeds, the department will execute a release of the unit from the program.

A similar process occurs for MIHU resales. When an MIHU homeowner contacts the Department to request a resale price, a 120-day priority period begins to find an eligible buyer for the home. If the home is not awarded within the priority period, the homeowner may sell the home at market rate as a non-MIHU and split their proceeds with the net proceeds with the County 50/50.

The Department continues to update the database and increase marketing efforts to identify income eligible, mortgage ready candidates. No units have been released in 2018.

Completed Developments	Total Units	MIHUs Required	LIHUs Required	Awarded	Closed 2007-2017	Released to Builder	Resale Released to Market
Belmont Station	110	17		17	17		1
Cherry Tree Townhomes	110	17		17	17		
Dorset Gardens	230	44		28	28	16	
Elkridge Crossing Condos	64	10		10	10	4	1
Ellicott Crossing	154	16		16	16		
Fox Hunt Estates	32	4		4	4		
Foxwood Manor	37	5		5	5		
Gatherings at Ellicott Mills Condo**	127	10	1	7	7	4	1
Gatherings at Jefferson Pl. Condo**	135	14		9	9	5	
Guilford Mews	26	3		0	0	3	
Howard Square**	413	55		51	51		
Jones Station	22	3		0	0	3	
Legacy at Cherry Tree Condo**	152	4	3	7	7		
Riverwalk	58	6		6	6		1
Simpson Mill**	150	0	5	5	5		
Village Towns	259	23		14	14	2	
TOTALS	2079	231	9	196	196	37	4

**alternative compliance approved

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 for 172 units in 13 developments in 2018. The FY19 budget spending authority for the fee-in-lieu revenue is \$1,000,000.

Development	Zip Code	Zoning	New Lots	Agreement Signed
Larrick Property	21045	R-12	6	8/2/2018