

## **Minutes of the Affordable Housing Council**

Tuesday, January 3, 2017

2:30 pm to 4:00 pm

Bernard W. Brown Community Center  
629 N. Market Street, Frederick, Maryland

Meeting was called to order at 2:35 pm.

**Council members present:** Bruce Zavos, Chair; Mark Long, Sec; Kandy Joseph- Alexander; Jason Wiley, Mary Ellen Mitchell, Larry Johnson, Kimberly Ashkenazi, Angela Brinkley Morris

**Public Officials/Staff Liaisons Present:** Alderman Donna Kuzemchak: Monica Grant, Director of Citizens Services

**Guests:** Angie Liddiard, Housing Authority of Frederick City; Sarah Nelson, Housing Program Manager at DHCD; Heather Sutton, DHCD, Nancy Lavin, Frederick News Post

**Council members/Liaisons absent:** Katie Nash, Councilwoman Jessica Fitzwater, Jay Mason, Karin Tome

### **CONSENT AGENDA:**

The minutes of the December 6 and 14, 2016 meeting were approved.

**LIASON REPORTS:** None

**OLD BUSINESS: Policy Discussion – Moderately Priced Dwelling Unit Payment In Lieu Program. Discuss current County policy and potential changes.**

Bruce started off by providing overview of the task before the AHC. The current MPDU PIL program is due to sunset at the end of July and the AHC has been charged with developing a proposal for the MPDU PIL program going forward. Provided brief synopsis of housing study recommendation. The council has several options; can accept the recommendation of the housing study, modify it or develop something entirely different.

Reviewed some of our past discussion and noted that at our last meeting there was some discussion about using a Square Footage based fee for the PIL but it was ruled out because the council came to the conclusion that it may be too complicated to implement. Bruce noted that in a subsequent conversation with County Executive Gardner, she shared that other fees are based on a square footage method so that could be something that the AHC may want to consider.

Goal is for AHC to come up with proposal to provide necessary funds for affordable housing, while at the same time developing something that may be amenable to the development community.

Donna asked if the AHC had considered using the Market Price of homes for the basis of the PIL. It was noted that since the price of homes isn't known by the County when permits are issued, this would be very difficult to implement.

Kimberly reviewed the draft proposal that she had put together based on discussions at the December 14<sup>th</sup> meeting. At that meeting, the council first decided to 1) Keep the PIL, and 2), to raise the PIL some amount. The council then agreed at that meeting to propose a 3 tiered fee system broken down into Condo, Townhome and Single Family units with fees initially established at \$17,500, \$22,500 and \$30,500 respectively.

Kimberly's draft proposal was based on that 3 tiered system. It also included accompanying scenarios to illustrate how much county money would be available using this system, and estimates for how long it would take for that money to come in to facilitate the building of 3070 affordable units, (needed affordable workforce units in the county based on the housing study) if built with a LIHTC program.

Discussion followed to clarify the proposal.

At some point, the conversation went back to the idea of using a square footage method for calculating the fee. The thought was that this may be a more equitable method than the tiered method. Mark made a motion, with a second by Kimberly, "To set the PIL using a square footage method, with the actual fee per square foot to be determined". It was approved with 6 yes votes and 2 abstentions. Kimberly agreed to work on another proposal based on this motion before the next meeting, with the idea that the fee would essentially bring in the same amount of money in roughly 5 years as estimated in Kimberly's 3 tiered proposal. Sarah Nelson agreed to obtain information from the Planning Department to assist with the calculations.

Another special meeting was scheduled for 01/10/2017 to continue discussion regarding the MPDU PIL with the goal of finalizing a proposal.

Meeting was adjourned at 4:10 pm.

Submitted By Mark Long, AHC Secretary