MY TURN

By Lisa Markovitz

Most support incentives to create affordable housing

How to get more affordable housing supply in Howard County is the subject of heated debate. There are those who believe that increasing all housing supply, even market priced projects, will trickle down to decreased prices across all units. Others believe we cannot get more without requiring it. Currently, the County requires 10-15% of the new units in a housing project be affordable to 80% of the County's median income, in most residential areas. These are referred to as moderate income housing units. There are fees allowed to be paid by developers in lieu of providing the units.

There is little County requirement to provide low income housing units, defined as affordable to 60% of the median income. Those are typically supplied through. special projects that get payment in lieu of taxes programs or other tax incentives and benefits to give incentive to provide the lower priced units.

There are current efforts being made to change these requirements. The Affordable Housing Work Group, a county executive-appointed task force, analyzed ways to get more affordable housing. They have requested that the County redefine MIHU/ LIHU units as affordable up to 120% of median income for sales units, and up to 60% for rental units. There are pros and cons of making this change. Having a higher range of income able to have price accommodation will allow more people to qualify for the program; however, it also means MIHU housing prices will be higher than if they were made to be affordable to 80% of median income versus raising it to 120%. It sounds like that idea came from the position of believing all new housing can decrease prices.

One reason we don't see higher supply equating to lower prices, even during times of large supply growth is due to the high demand for Howard County housing. Also, new home construction does not have a monopoly on supply, with direct price control, since there are plenty of resales of older homes affecting the market, not to mention economic issues like interest rates changes. Thus, we must prioritize creating appropriate incentives to require lower priced units in new residential building projects.

This month, County Council Bill 54, sponsored by Liz Walsh, seeks to add LIHU requirements across a large number of residential areas, for the first time. The bill focuses on age-restricted units having at least 10% MIHU and 5% LIHU (and/ or disability income units). Walsh's Bill 55 would require those units be provided on-site, eliminating fees allowed to be paid in lieu of provision, and disallowing supplying them elsewhere in a different project. These changes would create more spread out county supply of the lower priced units.

Howard County is located close to several other counties, and many people who live outside the county work here. It is desirous to try to provide some supply of units for lower incomes and middle incomes so people can work close to where they live. We also see difficulty for young people to remain in Howard County where they were raised, when prices are so high. Incoming new zoning changes will provide more middle income type units, such as more duplexes, triplexes, but that is years away. In the meantime, there are pushes to change current regulations to get more units in new construction at lower prices. Giving developers incentive to do this makes sense, as long as the benefits given require the extra affordable units be provided, on site, without fees paid instead. If plans change, and units are not supplied, the benefits need to be retracted. We need to safeguard our scarce resources, and put guardrails on incentive programs, to ensure all benefits are fairly received.

Next year's council election candidates will surely be asked for their positions on these issues.

Email the council your thoughts on current legislation at councilmail@howardcountymd.gov.