

**Minutes of the Affordable Housing Council (AHC) Meeting  
Tuesday, March 12, 2019**

2:30 pm to 4:00 pm

Citizen Service Division Building – Main Conference Room  
401 Sagner Avenue, Frederick, MD 21701

**MINUTES OF MEETING**

**Call to Order:** Chair Kimberly Ashkenazi called the meeting to order at 2:35 PM and welcomed everyone. Introductions were made.

**Members Present** Kimberly Ashkenazi, Chair; Mark Long, Vice Chair; Angie Liddiard; Bruce Zavos; Diane Bill; Jason Wiley and Mary Ellen Mitchell.

**Members Absent:** Marva Younger, Kandy Alexander and Malcolm Furgol (Vin Rogers had submitted his resignation the night before this meeting)

**Public Officials/Staff Liaisons Present:** Derek Shackelford, Frederick Alderman; County Council; Milton Bailey, Director, DHCD; Sarah Nelson, Manager, DHCD; Gayon Sampson, Mayor's Office

**Visitors Present:** Craig Hicks, Carole Sepe and Sharon Suarez, Frederick County Planning Commission members; Denis Superczynski, FC Planning Department; Robin Inskeep, FCC-Finance; Hugh Gordon, FCAR; Jeanette Bartelt, Hillal Eastburn, Claire Donnelly; Alma Palm and Alicia Cartnail, 3RC Resource; Laura Jones, Above Revision; Kai Hagen, Frederick County Council; Jennifer Minnick and Amanda Baulig, Habitat for Humanity

**Minutes of the February 12 meeting were approved.**

**Agenda was approved.**

**Public Comment:** Jeanette Bartelt spoke about the need for and benefits of tiny homes to fill the need for affordable housing, as well as about the benefits of environmentally conscious homes.

Angie Liddiard of the Housing Authority shared that there is still one affordable home left for sale in the North Pointe Project. This home is listed for \$350,000 but it has a silent second mortgage in the amount \$200,000 so the mortgage may be as low as \$150,000.

Bruce Zavos gave an update on the Railroad Square LIHTC project in Brunswick and indicated that there appeared to be more acceptance of the project now that the design has been changed.

**New Business.**

**Discussion with Frederick County Planning Commission members regarding the Moderately Priced Dwelling Unit (MPDU) Ordinance and the Livable Frederick Master Plan.**

## MPDU

The Planning Commission was interested in discussing whether the MPDU ordinance was still fulfilling its purpose of providing affordable housing, and if not, what changes might be made to make it more effective. There was a wide-ranging discussion.

Planning Commission member Sharon Suarez, who has also worked in Montgomery County as a planner, gave a brief overview of the MPDU program in Montgomery County. An important part of Montgomery County's ordinance was to allow increased density in return for creating MPDUs. This has not necessarily worked in Frederick County.

Bruce stated that he thought the MPDU program was a failed program because there are no incentives for developers to build the MPDUs and he thought that the Payment in Lieu (PIL) fee was set too low.

Mark shared a brief history of the determination of the Payment in Lieu fee option that was first passed in 2011. Paying of the fee is an option for builders rather than build MPDUs. The option was due to sunset in 2017 and the AHC debated the PIL option for several months. At that time, the AHC decided to recommend first 1) that it was beneficial to keep the Payment In Lieu option because it provided funds for affordable housing and it was preferable for affordable housing specialists to build units rather than market developers and two 2) The AHC recommend raising the PIL fee from 16,500 per MPDU not built to \$26,500 per MPDU not built using a formula developed by Milton. The HR&A consultants who conducted the 2016 Housing Needs Assessment recommended raising the PIL fee to \$44,875 for unit not built.

Milton noted that while the idea for the PIL funds to go to building affordable units was a good idea, the fees are only paid when permits are pulled and the income is unpredictable. The fees have also been locked in for 15, 20 or 25 years with the developments that have Development Rights and Responsibility Agreements (DRRAs).

Milton also noted that while the funds help with affordable rental projects, not enough is being done for affordable homes for purchase. Others also agreed that home ownership has value over and above any investment value it may have, such as providing connections to the community, housing stability and the like.

Carol Sepe initiated some discussion regarding fees that developers must pay when developing and the impact this makes on building any affordable units. There was recognition that it must be profitable. There was discussion that some fees could potentially be lowered.

Bruce offered the idea of a "floating affordable zone" where there would be incentives for producing affordable housing. Historic preservation requirements might be reduced and/or parking requirements might be reduced. Bruce also noted that Virginia was considering waiving all fees for affordable housing.

Angie noted that there was also a challenge to keeping affordable homes for purchase affordable over the long term.

Carole Sepe commented on several other alternatives for helping provide affordable housing, such as using a land trust and fast-tracking permits for affordable housing. She also commented that perhaps we shouldn't make it so easy for developers to pay the payment in lieu instead of providing moderately priced dwelling units and we could also allow the MPDUs to be built at another location other than where the development is occurring. She challenged the AHC and planners to think of alternatives and not necessarily remain in the same rut.

A suggestion was also made by one of our visitors that we should think about putting more funds into rehabilitation of older homes, as well as developers using Community Investment tax credits.

Near the end of the conversation, Craig Hicks reiterated that specific recommendations from the AHC regarding the MPDU ordinance would be appreciated by the Planning Commission and County Council.

No specific ideas for changes were arrived at during this meeting, but everyone agreed that more discussion regarding the MPDU is warranted, and the suggestion was made to bring more developers into the discussion. Jason suggested that a broader conversation about affordable housing would be useful to have with developers. He also noted that the section(s) that relates to housing in the Livable Frederick Master Plan was short and thought that that could be built on. It was noted that there would be more opportunities to build on the LFMP as the corridor plans are developed. Jason also stated that he thought there could be a benefit from a more comprehensive plan for housing in the county.

### **Livable Frederick Master Plan (LFMP)**

Segueing from Jason's comments, Mark stated that an **aspirational goal** of the LFMP could be to develop a **county wide Strategic Plan for housing**.

Prior to this AHC meeting, the Policy Committee had met with members of the planning staff, Denis Superczynski and Dial Keju and presented them with recommended additions to the LFMP. These recommendations had also been passed along to the Planning Commission.

Recommendations from AHC.

1) On Page 106, under Goal: Equity, Initiative: **Affordability**, the Supporting Initiative states; "Explore the ability to reduce the burden of land cost for low to very low-income housing through subsidization of land acquisition."

Suggested Supporting Initiative: **2a. To reduce the burden of land cost, support the utilization/expansion of Community Land Trust(s).**

2) Under **Equity** in the **Housing Stability** section, everything referenced is about dealing with homelessness. Shouldn't **housing stability** be addressed **prior** to a household becoming homeless.

Suggested Supporting Initiative: In order to prevent homelessness, programs providing rental, utility bill, and/or eviction/foreclosure prevention assistance, as well as budget and debt counseling should be encouraged and supported.

3) There were no supporting initiatives listed under **Housing Justice**.

A Supportive Initiative could be: Support the role of the Frederick County Human Relations Department to ensure fair and just access to housing, regardless of a person's ethnic or cultural background.

4) On Page 107, Under **Special Needs Housing** Initiative:

Suggested Supporting Initiative: Ensure that the state delegation understands the need for low-income housing for targeted special needs populations and recommend that Maryland's Qualified Allocation Plan (QAP) incentivizes related development.

5) Page 107, Initiative: Home Stability, Supporting Initiative #6

Suggested Supporting Initiative: Support creative ways for people experiencing homelessness to transition to stable housing and keep their personal belongings throughout this transition.

### **Messaging Committee Report.**

Hugh Gordon shared that production of the video series, "The Places of Affordable Housing" was moving forward and shooting will begin this month. It will focus on 2-3 areas in the near term; property values, property maintenance and the selection process for residents.

Mark reminded the group that the AHC will be co-host a speaker event on affordable housing in May in conjunction with Envision Frederick County. Lisa Sturtevant, PhD of [LSA](#) will be the guest speaker and she will be joined by other local affordable housing stakeholders in a panel discussion.

### **Liaison Reports.**

Milton Bailey reminded everyone that the June Bloom Housing Fair will be taking place on June 1. He shared flyers for the event and encouraged everyone to get the word out about the event. Derek Shackelford shared that the City of Frederick is reviewing its Adequate Public Facilities Ordinance (APFO) and there will be opportunity for public comment on March 18th. Mayor O'Connor will be unveiling his budget March 27<sup>th</sup>.

It was noted that Vin Rogers had submitted his resignation from the AHC.

Minutes submitted by Mark Long on behalf of Secretary Marva Younger.

Meeting was adjourned at 4:15 pm. Next AHC meeting is April 9.