

**Minutes of the Affordable Housing Council (AHC)**  
**Tuesday, September 11, 2018**  
2:30 pm to 4:00 pm  
Citizen Service Division Building – Main Conference Room  
401 Sagner Avenue, Frederick, MD 21701

**MINUES of MEETING**

**Call to Order:** Chairman Bruce Zavos called the meeting to order at approximately 2:35PM.

**Members Present:** Bruce Zavos, Chair; Kimberly Ashkenazi, Vice Chair; Mark Long, Sec; Jason Wiley; Mary Ellen Mitchell; Marva Younger; and Kellye Murphy.

**Members Absent:** Angie Liddiard; Diane Bill; Jay Mason; Kandy Joseph-Alexander; Malcolm Furgol; Vincent Rogers

**Public Officials/Staff Liaisons Present:** Derek Shackelford, Frederick Alderman; Robin Inskip, FC-Finance Department; Monica Grant, Director, CSD; Sarah Nelson, DHCD; and Milton Bailey, Director, DHCD.

**Guests Present:** Jan Gardner, County Executive; Mark Lancaster, President of FCBIA; Margaret Nusbaum, Office of CE; Hugh Gordon, FCAR; James Baker, United Way; Zack Kooser, United Way; Kara Norman, Downtown Frederick Partnership; Carol J. Seipler; Theresa Wyatt; Wyatt Massey, FNP; Veronica Henry, HACF; and C. Hillal Eastburn.

**Regular Business:**

1. Welcome and Introductions.
2. Minutes from the July 10 Meeting were approved. There was no AHC meeting in August.
3. A revised Agenda was approved.
4. Public Comments: None.

**New Business:**

1) **Adjustment of School Construction Fees.** Jason Wiley, along with Mark Lancaster, President of the Frederick County Building Industry Association, led a discussion about the proposed legislation to Adjust School Construction Fees. This fee adjustment would apply to developments approved between July 2011 and July 20, 2016 that opted to pay the mitigation fee when their developments failed the school adequacy test. (This option ended on 7/20/16). A County Council hearing for this proposed legislation will be held on September 25<sup>th</sup>.

This legislation was developed by a Task Force proposed by County Council President Otis in response to previous legislation proposed by County Executive Gardner, Bill 18-13. The Task Force thought that the fees proposed by the CE would place an undue burden on the

building industry and shock the market. But acknowledging that having quality schools is important for the community and had to be paid for, they attempted to craft a compromise bill. The school construction fees proposed by the Task Force are less than the fees proposed by the County Executive and establish a schedule for increases over the next 8 years rather than raising them all at once.

County Executive Gardner shared her rationale for the original legislation, noting that the school construction fees hadn't been updated since 2014 and citing the costs and challenges of constructing new schools. Some schools are excessively over capacity, as much as 130 to 150%. Although CE Gardner would have liked her original bill to have gone forward, she recognized the need for compromise. She stated, however, that she would have liked to have seen a cap established for how much overcapacity a school could be and the development still be allowed to pay the mitigation fee. This isn't included in the proposed legislation.

Much of the discussion centered on the impact that numerous fees have on the affordability of newly built homes. This is something that the AHC has discussed periodically. Jason suggested that all fees and their combined impact need to be looked at comprehensively.

Mark Lancaster noted that it was not only new construction that put pressure on schools, but sometimes changing demographics. He suggested that other funding sources should be looked at and suggested that a Transfer Tax be considered so that the cost of school construction would be more fairly and equitably distributed to more people.

There was some discussion about creating an Adequate Public Facilities Ordinance (APFO) Review Committee to re-examine the APFO. CE Gardner stated that this might be warranted.

No action was taken by the AHC on the proposed legislation.

**2) LIHTC Awards.** It was noted that no Frederick County/City Projects received competitive 9% Low Income Housing Tax Credit awards for the 2018 cycle. Bruce mentioned that it appeared that the MD Department of Housing and Community Development was attempting to satisfy the terms of the "Voluntary Compliance Agreement and Conciliation Agreement" (that gives priority to projects in Baltimore and surrounding counties) in a short amount of time.

Going forward, Bruce suggested that the AHC weigh in on future Qualified Allocation Plans (QAP) that establish the state's eligibility priorities and criteria for awarding federal tax credits to housing properties.

Hugh Gordon noted that although no competitive 9% projects were awarded in Frederick, there are non-competitive 4% projects being funded.

3) **Messaging.** Hugh Gordon shared that to build on the success of the “Faces of Affordable Housing” video, a new messaging video is being developed, the “Places of Affordable Housing”. The intention is to show the quality of construction, what affordable housing has to offer and how it contributes to the community, etc. Target is for spring production.

Bruce emphasized the importance of sharing the message of affordability with the community and suggested the AHC members share the “Faces of Affordable Housing” video with other organizations they participate in, such as faith and civic groups, Commission of Aging, Frederick County Building Industry, etc.

Video can be found on the County Web site, under Citizen Services/Department of Housing and Community Development.

<https://www.youtube.com/watch?v=ixwW4onCtUk&feature=youtu.be>

Mark shared that he will be making a brief presentation about affordable housing at the Maxwell Square salon and intends to show the video.

4) **Strategic Plan:** Mark offered for consideration the idea of developing an Affordable Housing Strategic Plan for the county. Is it warranted/necessary? Will be discussed further in the future.

**Liaison Report:** Derek Shackelford shared that the Frederick City Alderman approved an historic overly for the Cramer property, a proposed affordable housing project for seniors. The project will now go to the Planning Commission for site plan approval.

Derek also shared that the City sold a house on Hayward Road to the Religious Coalition for \$1. This will provide housing for many homeless families.

The Frederick City Alderman would like the AHC to meet with the Alderman sometime before the end of the year to discuss affordable housing issues.

**Adjournment:** The AHC meeting was adjourned at approximately 4:00 PM.

After adjournment, Kellye Murphy submitted her resignation from the AHC to the Executive Committee. Kellye is moving to Texas. Kellye has been a valuable contributor to the AHC and her service is greatly appreciated. The AHC wishes her well in her new location!

The next AHC Meeting will be held at 2:30PM on October 10, Citizens Services Division, 401 Sagner Avenue, in the Main Conference room.