

**Office of the County Auditor**  
**Auditor's Analysis - Revised**

**Council Bill No. 55-2025 (ZRA 213)**

Introduced: July 7, 2025

Auditor: Rebecca Gold

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Fiscal Impact:

We are unable to determine the future fiscal impact of this legislation because we cannot estimate the demand for future development of Age-Restricted Adult Housing (ARAH) residential units.

The fiscal impact may include a change in the amount of Real Property, Recordation, and Transfer Tax revenues levied by the County if the increased number of Moderate Income Housing Units (MIHUs), Low Income Housing Units (LIHUs), or Disability Income Housing Units (DIHUs) impact property value assessments or the sale price of the units in question.

This legislation is unlikely to generate additional personnel expenses on behalf of the County. The Department of Housing and Community Development (DHCD) performs annual monitoring for compliance with MIHU, LIHU, and DIHU regulations and does not anticipate additional expenses resulting from this legislation. County enforcement of zoning regulations is the responsibility of the Department of Planning and Zoning (DPZ), but complaints regarding violations of age restrictions in ARAH communities are rare and unlikely to generate additional expense for the DPZ.

The County Code allows for fines and other remedies for non-compliance of MIHU regulations, so there may be increased fine revenue to the County if there are violations of the new regulations.

Purpose:

This Zoning Regulation Amendment proposes permitting Age Restricted Adult Housing (ARAH) as a permitted use in the PEC (Planned Employment Center) zoning district and amending the 10 percent MIHU requirement to include an additional 5 percent LIHUs or DIHUs in the following zoning districts: RSI (Residential: Senior—Institutional), POR (Planned Office Research), CCT (Community Center Transition), CEF (Community Enhancement Floating), and PSC (Planned Senior Community).

This legislation also proposes changing the definition of LIHU to include units offered to households below 60 percent (rather than 50 percent) of the area median income. If approved,

these changes will affect Sections [103.0](#), [113.2](#), [115.0](#), [116.0](#), [117.4](#), [121.0](#), and [127.1](#) of the Zoning Regulations.

Other Comments:

This legislation is the companion bill to Council Bill 56-2025, which amends Sections [13.402\(o\)](#) and [13.402C](#) of the County Code.

The DHCD states that the addition of 5 percent LIHU or DIHU to the existing 10 percent MIHU requirement will apply prospectively to new developments.

Regarding the enforcement of age restrictions, the County will adhere to existing regulations where ARAH is a permitted use.

According to the DHCD, the area median income for the Baltimore-Columbia-Towson Metropolitan Statistical Area is \$104,200 as of June 1, 2025. The DHCD provided the following information for context:

Household Income	# HoCo Households
Under \$25,000	8,416
\$25,001 - \$50,000	9,063
\$50,001 - \$100,000	22,065
\$100,001	85,223

Source: 2024 Howard County Rental Housing Survey

The DHCD also provided copies of the 2024 Howard County Rental Housing Survey (available under "Related Documents") and 2024 MIHU Annual Analysis (**Attachment A**), which include useful information about the MIHU and LIHU housing inventory. As of the 2024 MIHU Annual Analysis, the County had:

- 827 MIHU and 9 LIHU renter households
- 516 MIHU and 12 LIHU homeowner units

The average household income of these MIHU residents was:

- Renter households: from \$54,411 to \$102,603
- Homeownership households: \$84,315



## Department of Housing and Community Development

### MIHU Annual Analysis

January 2024-December 2024

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## **MODERATE INCOME HOUSING UNIT PROGRAM**

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 moderate income households. MIHUs are sold or rented through the Department of Housing at affordable prices and rents. MIHUs are interspersed throughout each development and residents enjoy all the amenities in the community.

The Howard County median income for 2024 is \$129,549. A moderate income household is defined as one whose income does not exceed 80% of the Howard County median income for purchasers and 60% of the Howard County median income for renters. All dwelling types are available for purchase or rent, including apartments, condominiums, and townhouses. 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. MIHU pricing for January 1, 2024 – December 31, 2024, is available by contacting the office or by visiting the department's website at [www.howardcountymd.gov/mihu\\_developer](http://www.howardcountymd.gov/mihu_developer). Applications for the MIHU homeownership program can be obtained during open enrollment periods. Rental applications are accepted year-round. Information on rental rates and participating rental communities is available by phone, email or on the website.

### **MIHU CODE COMPLIANCE**

Per Title 13, Section 13.402 of the Howard County Code, an annual analysis of the Moderate Income Housing Programs is required. The report shall be submitted to the County Executive and the County Council by April 1 of each year. The analysis shall include: (1) The number, types, and location of moderate income housing units provided on-site and as required by the zoning regulations; (2) Moderate income housing units provided as an optional method under subsection (e) of this section and as an alternative compliance under subsection (f) of this section; (3) The number of moderate income housing units that have been renovated and the financial costs of renovating the unit; the range of sale prices and rental rates, including the average sales price and rental rate; (5) Income information on the home buyers and renters participating in the program; (6) The number of applicants selected to purchase a moderate income housing unit and the priority categories for which they qualify under section 13.406(e); and (7) All marketing and outreach efforts of the department to each of the categories in Section 13.406(e).

### **MIHU APPLICANT INFORMATION**

For 2024, DHCD awarded new MIHU homes to 45 applicants with an average income of \$78,156. 471 applicants applied to the MIHU program and 426 of those met the eligibility criteria for the MIHU database. 149 applicants received priority points for living and/or working in the County or being a first-time homebuyer.

## MIHU HOMEOWNERSHIP UNITS – NEW CONSTRUCTION CLOSED

Priority periods for 55 new MIHU homes were initiated this year with 46 units settling in 2024. When a builder requests a priority period for new MIHUs, the Department has 120 days to find eligible buyers to purchase the MIHUs. The Department will prequalify applicants and award the units. The average sales price for new construction townhomes was \$302,405. The average income of the MIHU new construction buyer was \$84,315.

New Construction			
Community	Address	Sales Price	Settlement Date
Enclave at Hines Farm	8697 Hines Circle	\$269,136	2/29/2024
Enclave at Hines Farm	8707 Hines Circle	\$269,136	3/1/2024
Wellington Farms	7922 Olive Branch Ln	\$242,244	3/4/2024
Wellington Farms	7918 Olive Branch Ln	\$242,244	3/15/2024
Wellington Farms	7916 Olive Branch Ln	\$242,244	3/22/2024
Wellington Farms	7843 Blackbriar Way	\$ 255,531	4/18/2024
Wellington Farms	7839 Blackbriar Way	\$ 255,531	4/18/2024
Chapelgate	11517 Kirkleigh Drive	\$296,031	4/26/2024
Wellington Farms	7835 Blackbriar Way	\$ 255,531	5/10/2024
Chapelgate	11525 Kirkleigh Drive	\$296,031	5/15/2024
Chapelgate	11529 Kirkleigh Drive	\$296,031	5/17/2024
Enclave at Hines Farm	8645 Hines Circle	\$298,981	6/26/2024
Wellington Farms	7819 Blackbriar Way	\$ 252,516	6/28/2024
Wellington Farms	7823 Blackbriar Way	\$ 252,516	7/2/2024
Wellington Farms	7827 Blackbriar Way	\$ 252,516	7/3/2024
Chapelgate	11537 Kirkleigh Drive	\$296,031	7/26/2024
Enclave at Hines Farm	8633 Hines Circle	\$ 305,616	9/30/2024
Wellington Farms	7811 Blackbriar Way	\$ 349,579	10/7/2024
Wellington Farms	7809 Blackbriar Way	\$ 349,579	10/16/2024
Wellington Farms	7805 Blackbriar Way	\$ 349,579	10/18/2024
Chapelgate	11585 Kirkleigh Drive	\$ 305,151	10/24/2024
Chapelgate	11573 Kirkleigh Drive	\$ 305,151	11/4/2024
Chapelgate	11589 Kirkleigh Drive	\$ 305,151	11/4/2024
Chapelgate	11577 Kirkleigh Drive	\$ 305,151	11/6/2024
Chapelgate	11903 Crosspoint Way	\$ 305,151	11/13/2024
Chapelgate	11905 Crosspoint Way	\$ 305,151	11/13/2024
Chapelgate	11605 Eden Court	\$ 391,870	11/15/2024
Chapelgate	11611 Eden Court	\$ 391,870	11/18/2024
Chapelgate	11808 Summer Woods Place	\$ 391,870	11/20/2024
Chapelgate	11804 Summer Woods Place	\$ 391,870	11/22/2024
Wellington Farms	8707 Volpe Ct	\$ 349,579	12/19/2024

## MIHU HOMEOWNERSHIP UNITS – RESALES CLOSED

MIHU homes are perpetually affordable. In other words, once the units are designated as MIHUs, they remain in the program in perpetuity. 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 a market rate sales price as a non-MIHU and split their 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 for resale units. The average sales price for MIHU resale homes, a mix of townhomes and condominiums, was \$282,022. The average income of the MIHU resale buyer was \$71,785.

Resale Units			
Community	Address	Sales Price	Settlement Date
Gatherings at Jefferson Place	8801 Bosley Rd Unit 105	\$ 176,636	1/19/2024
Delacour at Blue Stream	8023 Blue Stream Dr.	\$ 403,600	1/19/2024
Howard Square	7229 Abbey Rd Elkridge	\$ 247,186	2/13/2024
Oxford Square	7214 Islip Way Unit B	\$ 245,545	2/29/2024
Howard Square	7403 Rigby Pl	\$ 314,308	3/8/2024
Belmont Station	6630 Latrobe Falls	\$ 282,507	3/29/2024
Ellicott Crossing	8076 Locust Mill St	\$ 340,014	4/26/2024
Elkridge Crossing	7270-G Darby Downs	\$ 221,747	5/14/2024
Belmont Station	6626 Latrobe Falls	\$ 239,527	6/14/2024
Belmont Station	6626 Latrobe Falls	\$ 239,527	6/14/2024
Oxford Square The Yards	7583 Warburg Way	\$ 366,939	8/30/2024
Belmont station	6808 Alexander Lawson	\$ 260,274	9/27/2024
Dorset Gardens at Blue	7992 Alchemy Way	\$ 346,946	11/1/2024
Dorset Gardens at Blue	8002 Blue Stream Dr	\$ 336,293	11/7/2024
Village Towns	7020 Holly Springs Lane	\$ 221,468	12/4/2024
Howard Square	7421 Slipknot	\$ 285,830	12/31/2024

## MIHU HOMEOWNERSHIP UNITS- REHABILITATION UNITS

The MIHU Program has signed a Memorandum of Understanding with the Howard County Housing Commission (HCHC) to purchase MIHUs that need significant repairs before they can be resold to eligible MIHU homebuyers. For 2024, there were 2 units sold to HCHC for rehab. Following the completion of the repairs, 1 unit was sold to a MIHU homebuyer.

## MIHU RENTAL UNITS

The Department shall establish maximum rates for rental units, by bedroom size, that are equal to 30 percent of the monthly income of a household whose annual income does not exceed 60 percent of the median income. The maximum rental rates shall include an allowance for utilities paid by the tenant. The allowance shall be calculated by the Department based upon the average utility costs prevailing for similar sized units in Howard County. If required by the lease, all utility costs, including those above the allowance, shall be paid by the tenant. Average rent for

the MIHU rentals is \$1,488. The income of MIHU renter households was between \$54,411 to \$102,603.

MIHU Developments	City	Total Units	On-Site MIHU's	On-Site LIHU's
Aladdin South	Elkridge	39	39	0
Annapolis Junction Town	Annapolis Junction	416	32	0
Ashbury Court	Laurel	156	24	0
Azure Oxford Square	Hanover	248	38	0
Belmont Station	Elkridge	208	32	0
Brompton House 2**	Elkridge	193	9	9
Burgess Mill Station II	Ellicott City	53	6	0
Dartmoor Place	Hanover	258	39	0
Dorsey's Ridge	Hanover	1	1	0
Ellicott Gardens	Ellicott City	106	103	0
Glen Oaks Place	Columbia	19	2	
Howard Square Verde II	Elkridge	344	35	0
Miller's Grant	Ellicott City	286	29	0
Mission Place	Jessup	366	61	0
Oakland Place	Columbia	16	4	0
Orchard Meadows	Ellicott City	150	15	0
Orchard Park	Ellicott City	40	4	0
Parkview at Emerson	Laurel	80	80	0
Penniman Park	Hanover	186	19	0
Regency Crest	Ellicott City	150	15	0
Riverwatch I	Elkridge	84	42	0
Riverwatch II	Elkridge	58	33	0
Robinson Overlook	Columbia	48	5	0
The Forge	Elkridge	210	32	
The Refinery	Elkridge	250	38	0
The Vine	Laurel	283	43	0
The Wexley @ 100	Ellicott City	394	40	0
Townes at Pine Orchard	Ellicott City	71	7	0
TOTALS		4713	827	9

## MIHU DEVELOPERS- ALTERNATIVE COMPLIANCE

A developer may request permission from the Director to use a method other than those set forth to provide moderate income housing units. A request shall include the following information: A description of the alternative compliance proposal, including a comparison of the required and proposed units, in terms of the location, numbers, types, bedrooms, and square footage; and the projected fair market value of the required and proposed units.

DHCD received 2 alternative compliance requests for consideration by the Housing and Community Development Board in 2024:

- October 2024 – Re: Taylor Highlands in Ellicott City, MD  
The developer of Taylor Highlands requested approval for an alternative method of compliance to meet the MIHU requirement by offering 6 MIHUs in Phase 1, and 3 for sale MIHUs, 2 rental MIHUs and 10 rental LIHU apartments in Phase 2 for a total of 21 affordable units to meet the MIHU requirement for Phase 1. Following recommendations from the Board, the County agreed to accept 6 MIHU and 2



LIHU for rent units and 4 MIHU and 1 LIHU for sale units to meet the MIHU requirement in Phase 1. The developer will be subject to a new MIHU requirement in Phase 2.

- December 2024 – Re: That Place at Patapsco Park in Ellicott City, MD  
The developer of That Place at Patapsco Park requested approval to use an alternative method of compliance to meet the MIHU requirement. The property is zoned POR and allows senior housing units to be constructed by right. Developers can provide 10% of the units as MIHUs onsite or pay the MIHU fee-in-lieu. The developer requested approval to offer 3 LIHUs (low-income housing units) onsite instead of 9 MIHUs as a means of MIHU alternative compliance. Following a recommendation from the Board, the County agreed to accept 3 LIHUs to meet the MIHU requirement for this development.

## **MARKETING AND OUTREACH**

MIHU hosted 5 workshops in 2024, one in March, two in June, one in September and one in December. 132 individuals attended the workshops. In addition, an MIHU workshop was presented to cadets in the police department in June. In partnership with HomeFree USA, Inc., an approved HUD counseling agency, DHCD hosted 12 first time homebuyer workshops where individuals interested in homeownership learned about the following five areas: assessing home readiness, budgeting and credit usage, financing a home, selecting a house, and maintaining a home and post-purchase finances. These workshops were followed by a one-on-one counseling session with HomeFree. Attendees that complete the workshop and one-on-one counseling receive a certificate that qualifies them for state and county programs that assist with downpayment and closing cost expenses for a home purchase.

DHCD also participated in several outreach events in 2024, such as a Home Improvement Workshop, America Works HC Resource Fair, and Diversity Day.