



*ACS supports Howard County nonprofits in the achievement of their missions  
because strong nonprofits improve the quality of life for all.*

**Ho. Co. 11-20 - Howard County – Moderate Income Housing Unit Requirements – Prohibitions Against  
Fee-in-Lieu**

**Position: Oppose**

**February 7, 2020**

As Executive Director of the Association of Community Services (ACS), it is my privilege to offer testimony on behalf of our over 170 nonprofit member organizations and community advocates who work diligently on behalf of vulnerable populations in our community. I am offering this letter in opposition of Ho.Co. 11-20, which prohibits Howard County from allowing a fee-in-lieu payment for developers of new residential projects.

We respectfully request that this bill not be submitted in order to afford opportunities for the Howard County Administration to develop the Housing Opportunities Master Plan. We anticipate that recommendations will include a fee-in-lieu provision as one component of a plan that addresses the critical need for affordable housing in our community.

Fee-in-lieu revenue is the only reliable source of revenue available to support nonprofits in their efforts to acquire, improve and lease home to low-income county residents. It also provided the funds for the Settlement Down Payment Loan program which assisted 21 MIHU buyers in 2018. Without these funds of about \$25,000 per unit, these sales would very likely not have been possible. Since the beginning of the MIHU program, 64 units have been released to the builder largely because DHCD did not have the funding for these down payment and closing cost loans. Buyers who qualified based on income and credit often did not have enough savings. Fee-in-lieu help reverse this trend and DHCD reports that since the inception of the loan program, no MIHUs have been released.

The Fee-In-Lieu is by far the largest dedicated income stream for affordable housing in Howard County. In 2018, the County received \$3,288,590. The County needs to keep this highly effective tool in its toolbox as Housing Opportunities Master Plan Task Force explores all available options for expanding our supply of affordable housing. Therefore, we ask that any efforts at the State level be held to allow the County time and opportunity to make fee-in-lieu decisions within the totality of the Plan so that we can develop a stronger, cohesive approach to increase the availability of affordable housing units in the County.

We appreciate your consideration of our request that Ho.Co. 11-20 not be submitted and welcome opportunities for further discussion on this matter.

Respectfully Submitted,

Joan Driessen  
Executive Director