



# Montgomery County Council

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**For Immediate Release**

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Contact: Patrick Lacefield 240-777-7939 or Jean Arthur 240-777-7934

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## **COUNCIL APPROVES CHANGES TO BOOST AFFORDABLE HOUSING PROGRAM**

The Montgomery County Council today approved changes to its Moderately-Priced-Dwelling Unit (MPDU) program to limit developer "buyouts" from the program and extend price controls on affordable units while giving developers more flexibility in terms of building height and density requirements in certain areas of the County.

"Anybody who works in Montgomery County ought to be able to afford to live in Montgomery County," said Council President Steve Silverman, who also chairs the Planning, Housing & Economic Development Committee. "These changes to our model 30-year-old MPDU program will bring that program into the 21<sup>st</sup> century and help boost the production and retention of affordable housing in the County."

"A lot of hard work has now resulted in a strong compromise package to improve and reinforce our current affordable housing program," said Councilmember Nancy Floreen, who led the fight for the revisions. "The changes we have made will result in a lot of new housing that will remain affordable for a long time to come."

The Council action today:

- Extends the MPDU price control period from 20 years to 99 years for rental units and from 10 years to 30 years for sale units;
- Requires developments of 20 or more units to include affordable units. The previous standard was 35 units or more;
- Eliminates developer "buyouts" from MPDU requirements because of financial infeasibility and permits buyouts only for condominiums and homeowner associations with high monthly fees and where environmental conditions would make MPDUs infeasible;

- Directs the County Executive to return to the Council within one year with a proposal to wholly eliminate developer buyouts, except for those involving senior and special-needs housing and situations with environmental constraints;
- Requires developers who are allowed to buy out affordable unit requirements to pay the County's Housing Initiative Fund a sum equal to 12.5 percent of the actual sale price of the bought-out unit for high rises and up to 37.5 percent of the sale price for non-high rise units. Previously, the amount developers paid to the County was varied, unpredictable, and somewhat subjective;
- Requires developers to include a minimum of 35 percent total lot area in green space for MPDU development in multi-family zones;
- Allows the Planning Board to exceed County Master Plan and Sector Plan limits on density and building heights for projects only in proportion to the MPDUs included on-site;
- Gives the Planning Board discretion to permit townhouses as an allowed dwelling type in large lot zones to accommodate the construction of MPDUs.

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