Urban Land Institute

ASPIRE FOR CHOICE IN HOUSING

The City of Frederick Maryland

CHALLENGE

Housing Choice vs. Housing Affordability

Income and age profile of residents indicate potential affordability issues.

8,100 housing units in the development pipeline
Only 2,500 of the units are obligated to comply with the MPDU program

- If workers cannot live close to work, it increases their transportation costs, affects their quality of life, and increase traffic burdens
- Higher cost of housing is a deterrent to businesses to move and grow in the region
- The City should provide housing choices for 100% it's workforce.

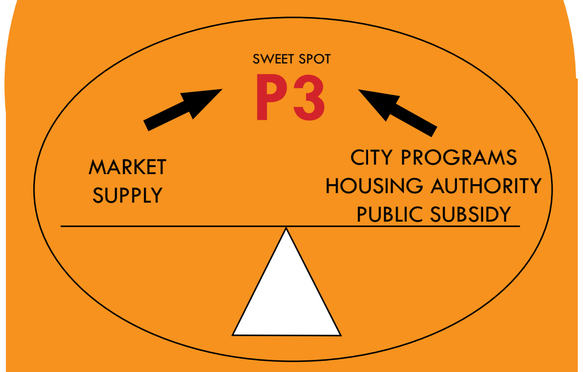
Millennials represent 23.5% of households

Empty Nesters represent 19.6% of households

How is the City crafting a Vision to grow inclusively?

OPPORTUNITIES

1 Grow the MPDU Program



New Entitlements through Public Private Partnerships

Expand the Mixed Use Historic Downtown to promote value creation through 'Planned Mixed Use' development

Make new entitlements more attractive than currently entitled developments to increase the likelihood that development providing MPDUs will be built

Allow residential in mixed use zones to incentivize development

Increase MPDU fees to make the production of MPDU units more likely

Increase the available MPDU bonus densities

2 Enhance Public Incentives

PILOTs and tax abatements in exchange

Waiving of certain impact fees

Encourage parking in municipal garages

Live Where You Work Incentive

3 Activate Space in the Historic District

Highest and best categories of uses of **underutilized** spaces in the Historic District

Required improvements to meet current building safety codes with associated cost estimates

Estimate **revenue** (income tax, sales tax, property tax, etc.) from activated space

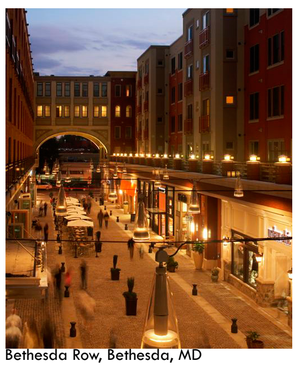
Balance the enhanced tax base with the needed tax abatements to promote desired outcomes

4 National Best Practices

Jurisdiction	Requirement	% of AMI	Incentives
Montgomery County, MD	12.5% to 15% (sliding scale up to 22% bonus density	65% of DC MSA AMI for garden, 70% of AMI for high-rise	MPDUs park at ½ the requirement of market rate units
Fairfax County, VA	16.6% workforce housing	2% at 60%, 3% at 70%, 5% at 80%, 5% at 100%, 5% at 120%	Bonus density has sliding scale up to 20%
Seattle, WA	5-8% affordable inclusionary, Commercial to pay $5 to $17/ new SF	60% of AMI for inclusionary	Fee-in lieu option for offsite. Bonus density of 1,000 SF per floor. One add'l story outside downtown
Jersey City, NJ	10-15% inclusionary	?	PILOT in tiers Tier 1 & 2: 10 year abatement 10% req'd Tier 3 &4: 30 year abatement, 15% req'd
Sante Fe, NM	15% rental	5% at 50%, 5% at 65%, 5% at 80%	15% density bonus
	20% for-sale	10% at 65%, 10% at 80%	Fee reductions and waivers- review fees, impact fees, utility charges, permit fees
	Alt compliance	Fee in lieu, off-site construction	
City of Longmont, CO	10% for-sale	80% AMI (10 yr)	20% reduction of fees @ 10% rental, 50% @ 10% for-sale. Includes review, permit, connection, impact, park fee etc. Water & sewer system dev fee with add'l affordability.
	10% rental	50% AMI (20 yr)	

MIXED USE | MIXED RATE REDEVELOPMENT

Santa Row, San Jose, CA


Bethesda Row, Bethesda, MD

Downtown Frederick Historic District Assets

MIXED USE | INCLUSIVE HOUSING

Sarasota, FL

INCLUSIVE MULTIFAMILY DEVELOPMENT

Westlawn, Milwaukee, WI

INCLUSIVE TOWNHOUSE DEVELOPMENT

Sarasota, FL

P3: HOUSING DEVELOPMENT OVER FIRESTATION

City of Alexandria, VA

RECOMMENDATIONS

1	2	3	4	5
Research and Analysis	Study the Need for a Director of Housing	Meet with the Development Community	Educate the Public on Housing Programs	Formulate a revised Affordable Housing Strategy

How can the City thrive to provide choice of housing?
Does the City want to be a leader in creating choice in housing?
Does the City want to create of vision of growth and inclusion?

TEAM

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