



January 17, 2017

**To:** Columbia Association Board of Directors

**From:** Jane Dembner, AICP, Director of Planning and Community Affairs

**Subject:** Highlights: Downtown Columbia 2016 Approved Legislation

**Introduction and Background**

Councilwomen Sigaty will be meeting with the Columbia Association Board of Directors (Board) as part of the January 26, 2017 Board meeting on the item entitled “Overview of the Legislation Approving the TIF and Affordable Housing.” In advance of that meeting, at Milton Matthew’s request, I have prepared the following summary. It highlights some of the key provisions, particularly those that incorporate changes from the originally proposed legislation.

In early November 2016, the County Council approved a package of Downtown Columbia-related legislation. The legislation addressed affordable housing and the use of tax increment financing (TIF) for certain public improvements. County Council also approved a Development Rights and Responsibilities Agreement (DRRA) between Howard Research and Development (HRD) and Howard County. In addition, a memorandum of understanding (MOU) between Howard County and HRD was agreed to and signed by the County Executive and HRD to address other non-legislative items and commitments. The approved legislation, DRRA and MOU are posted on the County Council’s website (<http://bit.ly/263iIZG>).

### **Tax Increment Finance, Special Taxing District and Development District (CR105, CB56)**

- Authorizes \$90 million in TIF bonds (Phase I), to be used to finance public improvements in Downtown Columbia including a parking garage, public roadways, stormwater management and other infrastructure.
- Requires the transfer of Merriweather Post Pavilion to the Downtown Arts and Culture Commission by November 30, 2016.

### **MOU**

- Establishes a diversity inclusion and local hiring program for all public improvements built in Downtown.
- Establishes a green building and open space initiative that includes an HRD commitment to LEED certification (or a higher LEED level) on all HRD-developed buildings and a commitment to restore and provide permanent open space in Downtown Columbia including 19 acres in the Crescent/Merriweather District and to plant 10,000 trees in Howard County over the next 20 years.
- Provides for an additional \$12 million in developer contributions to public improvements in Downtown.
- Includes a commitment by HRD to improve and modernize the real property covenant structure throughout Columbia.
- As a complement to the TIF-funded public infrastructure investments, establishes a set-aside in an additional fund for a new elementary school (\$15 million in Phase I).
- As part of the TIF-financed garage, commits HRD to design and build a permanent centralized emergency facility (referred to as Crescent Station) within the TIF garage and funding for a special parking garage fire-fighting apparatus.
- Establishes that the TIF garage will be a public garage, owned and operated by Howard County.

### **Affordable Housing/DRRA/Other Legislation (CR 103, CB 52, CB53, CB54)**

- Imposes a density cap of 5,500 units, and includes any Howard Hughes Corporation's inclusionary units as part of that cap (483 units as follows: 200 very low income rental units, 200 middle income rental units, plus 83 homeownership/live-where-you-work units).

- Creates an additional density cap of 744 exclusively for Housing Commission-built and owned LIHTC units. Of these 744 Housing Commission LIHTC units, 417 must be affordable; the remainder are to be at market rate. If Howard Hughes partners with the Housing Commission on the development of LIHTC units, these units count against the 5,500 unit density cap.
- Facilitates the construction of 900 affordable units (rather than previously proposed language that stated “up to 900”): see above 483 units under the 5,500 unit cap plus 417 Housing Commission-built LIHTC units under the 744 cap allocation.
- Changes the baseline Moderate Income Housing Unit requirement to 15 percent with no alternative compliance.
- Reduces the size of the Banneker site development from 200 total units to 100 total units and has the Banneker site serve as the senior housing site.
- Replaces the temporary fire station site with the new library site.
- Conveys ownership of LIHTC sites to the Housing Commission.
- Make Very Low Income units available in perpetuity.
- Shortens the DRRA term from 40 to 30 years.
- Amends the DRRA to insert language allowing for Howard County flexibility with APFO and safety-related building codes.
- Creates an employer/Columbia Downtown Housing Commission homeownership/live-where-you-work program in the amount of \$7.775 million.
- Eliminates the proposed parking reduction for certain downtown apartments. This reduction text was removed from the final legislation.