HOWARD COUNTY DEPARTMENT OF PLANNING AND ZONING



3430 Court House Drive

Ellicott City, Maryland 21043

410-313-2350 Voice/Relay

Amy Gowan, Director

FAX 410-313-3467

January 5, 2022

LLG, Limited Partnership & 6333 Cedar, LLC 1205 York Rd., PH Lutherville, MD 21093

RE: WP-22-042, Patuxent Commons

Dear Owner:

In response to the email dated January 5, 2022 from the offices of Offit Kurman, this Department has **voided** the above referenced alternative compliance submission in accordance with the request to withdraw the petition from active consideration by Howard County.

If you wish to resubmit the alternative compliance, you will be required to comply with the submission requirements and regulations in effect at the time of the submission, including a new application, complete sets of plans, and the applicable filing fees.

If you have any questions, please contact Julia Sauer at (410) 313-2350 or email at <u>jsauer@howardcountymd.gov</u>.

Sincerely,

DocuSigned by:

Anthony Cataldo, Chief Division of Land Development

AC/js

cc: Research William E. Erskine, Offit Kurman (<u>werskine@offitkurman.com</u>) Lisa King, Offit Kurman (<u>lking@offitkurman.com</u>)



ALTERNATIVE COMPLIANCE APPLICATION

(410) 313-2350

Site Description: Patuxent Commons

| Subdivision Name/Property Identification: Simpsonville/Cedar Acres | | | | | | | |
|--------------------------------------------------------------------|----------------------------------------------------------------------------------------|----|---------------|--------------------------|---------------------------|-----|--|
| | ocation of property: 6333 & 6367 Cedar Lane and 6441 Freetown Road, Columbia, MD 21044 | | | | | | |
| Existing Use: Residential | | | Proposed Use: | Residential | | | |
| Tax Map: 35 | Grid: | 17 | Parcel | No: 108, 109 &137 | Election District: | 4th | |
| Zoning District: POR | | | | Total site area: | 4.52 | | |

Please list all previously submitted or currently active plans on file with the County (subdivision plans, Board of Appeals petitions, alternative compliance petitions, etc.). If no previous plans have been submitted, please provide a brief history of the site and related information to the request:

The Petitioner is not aware of any previously submitted or currently active plans on file with County. The site is being proposed to be developed as a 76 unit mixed income residential project serving individuals with disability as well as members of the senior community.

In the area below, the petitioner shall enumerate the specific numerical section(s) from the Subdivision and Land Development Regulations for which an alternative compliance is being requested and provide a brief summary of the request. Please use the additional page if needed.

| Section Reference No. | Brief Summary of Request |
|-----------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 16.128(f)(6) | To extend the one (1) year deadline by which an initial plan must be filed to avoid the necessity of holding an additional pre-submission community meeting. The Petitioner is requesting to extend the filing deadline to November 5, 2022. Please see attached Supplement to Alternative Compliance Application. |
| | |

| Section Reference No. | | Brie | f Summary | of Request |
|-------------------------------------------|------------------------|------------------|-------------------------|---------------------------|
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| Signature of Property Owno | 1 | C.I. | Date: | 11/03/2021 |
| Signature of Petitioner Prep | arer: Many - | Men | Date: | 11/00/2021 |
| Name of Property Owner: L | LG Limited Partnership | Name of] | Petition Pre | parer: William E. Erskine |
| Address: 6333 Cedar LLC 1205 York Road | | Address: | 8850 Star Suite 2900 | nford Boulevard D |
| City, State, Zip: Lutherville, | MD 21093 | City, Stat | e, Zip: Colu | mbia, MD 20759 |
| E-Mail: | | E-Mail: • | verskine@of | fitkurman.com |
| Phone No.: | | Phone No | .: 301-575-0 | 0363 |
| Contact Person: | | Contact P | erson: Bill E | Erskine |
| Owner's Authorizat | ion Attached | | | |

OWNER'S WRITTEN AUTHORIZATION

Petitioner: Mission First Housing Development Corporation, a District of Columbia non-profit corporation

To Howard County, Maryland:

The undersigned property owner(s) with an interest in the real property known and described as:

| | Parcel ID | Acct ID | Map | Parcel | Grid | Acreage |
|------------------|--------------|------------|-----|--------|------|---------|
| 6367 Cedar Lane | 5347866 | 1405347866 | 35 | 109 | 17 | 2.99 |
| 6441 Freetown Rd | 362962 | 1405362962 | 35 | 137 | 17 | 0.85 |
| 6333 Cedar Lane | 354544 | 1405354544 | 35 | 108 | 17 | 0.68 |

do hereby authorize, consent to and permit the above named Petitioner to petition Howard County, Maryland for the approval of a site development plan and/or subdivision plan for a Housing Commission Housing Development on the above described properties. The undersigned owner(s) do further authorize the Petitioner to apply for and petition Howard County, Maryland for the approval and issuance of all associated waivers, variances, alternative compliances, and permits as may be necessary or desirable to implement the Petitioner's development plan in relation to the aforementioned Housing Commission Housing Development.

PROPERTY OWNER(S):

LLG, LIMITED PARTNERSHIP

By: Mangione Family General, Inc. Its general partner

om (SEAL)

Louis Mangione, President

6333 CEDAR, LLC

lou (SEAL) By:

Samuel J. Mangione, Manager

SUPPLEMENT TO ALTERNATIVE COMPLIANCE APPLICATION

The Applicant requests an Alternative Compliance to Section 16.128(f)(6) in order to extend the one (1) year deadline by which an initial plan must be filed in order to avoid the necessity of holding an additional pre-submission community meeting. The Applicant is requesting to extend the plan filing deadline to November 5, 2022.

Project Description and Background

Mission First Housing Development Corporation (Mission First), a 501(c3) nonprofit developer based in Washington, DC, is proposing a 76-unit new construction project at the NE intersection of Cedar Lane and Freetown Road in Columbia, MD, to be known as Patuxent Commons. The concept for Patuxent Commons was developed by the Howard County Autism Society (HCAS) and its Housing Task Force to help address the housing needs of adults with disabilities through a supportive community for people of all ages, abilities, and incomes. HCAS continues to be actively involved in supporting Mission First's development of the project.

Patuxent Commons has four primary objectives:

• Address housing instability faced by low-income adults with disabilities, older adults, and younger adults/families

• Enhancement of social connectedness through building of relationships and community engagement, and reciprocal sharing of social support by neighbors

• Use of housing as a springboard to maximize individual potential and facilitate community integration for people of all ages, abilities and incomes

• Pioneer a viable, innovative solution to the growing housing crisis facing adults with disabilities that can be adapted elsewhere in Maryland and serve as a model for similar housing developments throughout the United States.

The project site, across the street from the Hickory Ridge Village Center, provides an ideal location for this development concept, with shopping, employment, recreation, and transit opportunities in close proximity.

The proposed project will include a 25% set-aside for adults with disabilities, or 19 units. The remaining units will be targeted to older adults, families and younger adults. The development is proposed to be 90% affordable and 10% market rate. The disability units will be targeted to very low-income adults, while the other affordable units will be workforce housing. A mix of one, two, and three-bedroom units is proposed.

The building will be 3-stories at street level, with underground parking. There will be a design focus on the pedestrian experience, since many of the residents will use public transit, and will not drive. The building will have a green buffer along the street frontage and will meet all

County required setbacks. A minimum of 122 parking spaces are proposed -1 space per unit for the disability units, and 1.8 spaces per unit for the non-disability units.

The project site's excellent location and proximity to services and amenities together with its innovative program will facilitate integration of residents with disabilities into the surrounding community and promote their ability to live as independently as possible.

Mission First has been actively pursuing financing for the development and has several competitive applications currently pending with private, State, and Federal organizations.

A virtual Pre-submission Community Meeting ("PSCM") was held on November 5th, 2020 in accordance with DPZ's *Virtual Pre-submission Community Meeting Guidelines*.

Section 16.128(f)(6) provides: If the developer/applicant does not submit plans to the Department of Planning and Zoning within one year of the pre-submission community meeting, another pre-submission community meeting and notification in accordance with this section shall be required. Accordingly, if the Applicant does not submit plans to the Department of Planning and Zoning by **November 5th**, **2021**, another pre-submission community meeting and notification in accordance with Section 16.128 shall be required.

Due to circumstances beyond the reasonable control of the Applicant, initial plans for the project have not been fully prepared and will not be available for filing with the DPZ prior to the expiration of the one (1) year filing deadline. For this reason, the Applicant is requesting an Alternative Compliance to the filing requirements under Section 128(f)(6) in order to extend the filing deadline for another 12 months to November 5, 2022. The circumstances that have prevented the Applicant from being able to submit plans within the one (1) deadline include:

• Patuxent Commons is a proposed mixed income residential project, which has anticipated the use of low-income housing tax credit (LIHTC) equity for its financing. The project submitted a competitive application to the State of Maryland for 9% LIHTC on September 9, 2020. Unfortunately this initial application was not successful. The Project team was not notified about the LIHTC award status until January 15, 2021, despite the fact that awards were anticipated to be announced before the end of 2020. The State then opted not to hold a 9% LIHTC round in 2021.

• The Patuxent Commons development team opted to hold a Pre-Submission Community meeting on November 5, 2020, while waiting to hear about the 9% awards, due to the fact that the community was becoming increasingly aware of the proposed project due to the LIHTC application. Response to the project at the pre-submission meeting was overwhelmingly positive.

• After being notified that the project would not be awarded the 9% LIHTC, the developer pivoted to finance the project using 4% LIHTC. These 4% LIHTC are non-competitive and bring less equity to the project than the 9% credits, however when paired with tax exempt bond and subordinate financing from the State, this alternative financing will enable the project proceed. The project unit and affordability mix was updated, in consultation with community stakeholders, since a non-competitive application is not required to achieve maximum scoring.

• During the early summer, the IRS issued a ruling on income averaging in LIHTC projects with market rate units, which resulted in investors halting prospective investments in projects like Patuxent Commons. The project's income and unit mix had to be revised again in order to attract investors to the project.

• In order to satisfy the financing and zoning requirements for multi-family housing in the POR zoning district it was necessary to enter into an agreement with the Howard County Housing Commission (the "Commission") regarding its willingness to be a member in the general partner of the project's ownership entity. That agreement was recently finalized on September 23, 2021. See, attached Letter of Intent dated 9/23/2021.

• As of October 8, 2021, the project has completed its full submission to the State of Maryland for financing, which includes letters of interest or commitment letters for all financing.

• The overall project has remained consistent as 76 residential rental units, with some structured parking as well as outdoor parking, with a 25% set-aside for persons with disabilities, as well as a preference for seniors for 40% of the units.

• The project team is now moving rapidly to prepare and submit an Environmental Concept Plan and Site Development Plan for the project.

As demonstrated below, the Applicant's Alternative Compliance request with respect to Section 16.128(f)(6) of the Howard County Subdivision and Land Development Regulations should be granted because the Applicant's request satisfies the approval criteria set forth in Howard County Code \$16.104(a)(1). The four (4) criterion are set forth below and are immediately followed by Applicant's justification as to how they have each been satisfied.

Criterion 1

Strict conformance with the requirements will deprive the applicant of rights commonly enjoyed by others in similar areas.

Justification

If the developer/applicant is unable to submit plans to the Department of Planning and Zoning within one (1) year of the pre-submission community meeting, another pre-submission community meeting and notification in accordance with Section 16.128 will be required. The Applicant's ability to prepare the initial plans for submittal to DPZ has been delayed for the reasons described above and due to its inability to obtain the necessary financing for the project and because of the extended time required to obtain an acceptable agreement with the Commission. If the Applicant is required to hold a second community meeting prior to submitting its initial development plan it will require the Applicant at considerable cost to divert the efforts of its engineers and other consultants away from the preparation of the initial plan and toward preparation for a second community meeting. This would only serve to delay the ultimate filing of the initial plan and would further require the Applicant to expend substantial financial resources that would otherwise be made available for site design and engineering. Strict compliance with the requirement to hold a second community meeting would deprive the

Applicant of a right commonly enjoyed by others in similar areas. Without the Alternative Compliance, the Applicant could be deprived of the opportunity to prepare and submit its initial plan in a timely and cost-effective manner; and to otherwise exercise its property rights and to develop its property in accordance with the law.

Criterion 2

Uniqueness of the property or topographical conditions would result in practical difficulty; other than economic, or unreasonable hardship from strict adherence to the regulations.

Justification

Despite the Covid-19 state of emergency, the current subdivision regulations require presubmission community meetings to be held in person. Notwithstanding, the Applicant has the right to apply for an Alternative Compliance to Section 16.128 in order to seek DPZ approval to hold a virtual pre-submission meeting in lieu of an in-person meeting. Regardless, the criteria for approving a virtual community meeting in lieu of an in-person meeting are the same as the approval criteria for an extension of the one (1) year filing deadline. The Applicant has elected to apply for an extension of the filing deadline instead of seeking approval of a virtual community meeting in order to avoid further delays in filing the initial plan that would result if the Applicant was required to divert the efforts of its engineers and consultants away from the preparation of the initial plan and toward holding a second community meeting; and to conserve the scarce financial resources available to the project. The site is rather small in size and it has no improvements on it whatsoever. Because of this, the Applicant is not able to convene a second pre-submission community meeting in-person and onsite. Further, in light of the current Covid-19 state of emergency, there are no public or institutional facilities in the area of the project capable of safely accommodating a pre-submission community meeting with an undetermined number of attendees. Requiring the Applicant to hold a second pre-submission community meeting would create a hardship and practical difficulty for the Applicant because it would result in the indefinite delay of its development plans for the property.

Criterion 3

The Variance will not confer to the applicant a special privilege that would be denied to other applicants.

Justification

If granted, the Alternative Compliance request to extend the one (1) year plan filing deadline to November 5, 2022 will not confer to the applicant a special privilege that would be denied to other applicants. The purpose of the Alternative Compliance request is to permit the Applicant's additional time to complete the preparation of its initial plan while providing appropriate notice to the public of the proposed development project. Similarly situated applicants meeting all of the approval criteria would not be denied such a request.

Criterion 4

The modification is not detrimental to the public health; safety or welfare, or injurious to other properties.

Justification

The granting of the requested Alternative Compliance request will not be detrimental to the public health, safety or welfare, or injurious to other properties. In fact, the granting of the Alternative Compliance request would safeguard the health and safety of the public by avoiding the unnecessary assembly of a potentially large number of people during the Coronavirus-19 pandemic. Further, because the proposed project is substantially similar to the project that was presented to the community at the initial meeting held on November 5, 2020, the extension of the one (1) year filing deadline will save time and convenience to the community-at-large because they will not be invited to attend a second meeting related to the project only to be informed that nothing substantial has changed.



Quality. Inclusive. Affordable.

September 23, 2021

Ms. Sarah Constant Managing Director Mission First Housing Development Corporation 1330 New Hampshire Avenue, SW, Suite 116 Washington, DC 20036

Re: Patuxent Commons, Columbia, Maryland

Dear Ms. Constant:

The purpose of this Letter of Intent ("Letter of Intent") is to set forth the interest of the Howard County Housing Commission (the "Commission") in participating with Mission First Housing Development Corporation ("Mission First") in the development of the "Patuxent Commons," a proposed mixed-income rental community to be located in Columbia, Maryland (the "Development"). It is our understanding that Mission First or its affiliate has contracted to purchase the land for the Development, which islocated at 6441 Freetown Road, 6367 Cedar Lane, and 6333 Cedar Lane in Columbia, Maryland (collectively, the "Property").

We understand that the Development will consist of approximately 76 apartment units, approximately 90% of which will be affordable to households at 60% of the area median income or less, and approximately 10% will be market rate units. The Development will contain a mix of one-, two-and three-bedroom units, and the market rate units will be scattered and integrated within the community. The Development will be designed and built to high-quality, environmentally sensitive and energy-efficient standards and may include amenities such as a community room, computer room, an exercise room, and passive open space.

We further understand that Mission First intends to apply to the Maryland Department of Housing and Community Development ("MD DHCD") for financing for the project, which may include Low Income Housing Tax Credits ("LIHTC").

The Commission proposes to participate in the Development in the following ways:

- 1. <u>General Partner</u>: The Commission or its affiliate will serve as a member of the general partner in the Project's ownership entity. The Commission or its affiliate will be entitled to at least 11% of the membership interests of the general partner.
- 2. **Zoning Approval**: The Commission will support Mission First's zoning application to the Howard County Planning Board for approval to build multi-family housing on a parcel that is currently zoned POR (Planned Office Research).
- 3. <u>Share in Developer Fee and Cash Flow</u>: The Commission will receive 20% of the developer fee earned on the Development and 20% of the annual cash flow of the Development that remains after service of must-pay debt, cash-flow debt, and any deferred developer fee.
- 4. **<u>Right of First Refusal</u>**: Mission First shall have a right of first refusal to purchase the Project after the 15-year compliance period in accordance with the LIHTC program rules and regulations. The Commission shall have the next right of first refusal should Mission First decline its option.
- 5. <u>Option to Purchase</u>: Mission First shall have the first option to purchase the Project after the 40-year use restriction period. The Commission shall have the next option to purchase should Mission First decline its option.

In addition to the above, the Commission will cooperate with and provide support for Mission First's financing application to MD DHCD. The Commission will provide support for Mission First's application for site plan, building permit, and other governmental approvals for the Development.

The Commission is pleased to be able to offer its support and participation in this Development as it will serve several of the goals and purposes of the Commission, including offering high quality, sustainable affordable housing to low and moderate- income households who live and work in Howard County; providing mixed-income housing that integrates, and does not isolate or concentrate, affordable housing within the community; provides affordable housing that is environmentally friendly and energy-efficient.

This Letter of Intent is not intended to be a binding agreement between the Commission and Mission First, but merely a statement of the general terms and conditions upon which the parties are willing to enter into an agreement. If the terms and conditions set forth herein are acceptable to Mission First, then it is the intention of the parties hereto to enter into an agreement incorporating the terms and conditions herein.

If the foregoing terms and conditions are acceptable, please execute in the space provided below and return to the undersigned.

[SIGNATURES ON FOLLOWING PAGE]



Page 3 of 3

Sincerely,

Peter Engel

Executive Director

ACKNOWLEDGED AND AGREED TO: Mission First Housing Development Corporation

| By: | (del m | |
|--------|-------------------|--|
| Name: | Sarah Constant | |
| Title: | Managing Director | |

