

## CASE STUDIES | LOUDON COUNTY, VIRGINIA

### Affordable Dwelling Unit Program

<p>APPLICABILITY</p>	<p><b>CONTEXT</b></p>
<p><b>Mandatory for most For-Sale Buildings with 24+ Units and &lt; 4 Stories</b></p>	<p><b>Program Administration:</b> Board of Supervisors, with input from the Affordable Dwelling Unit Advisory Board.</p> <p><b>Year Introduced:</b> 1995</p>
<p>GEOGRAPHY</p>	<p><b>PROGRAM COMPONENTS</b></p>
<p><b>Entire Jurisdiction</b></p>	<p><b>Portion of Development:</b> Single Family - 12.5%+ and Multifamily - 6.25%+</p> <p><b>Length of Affordability (Covenant Term):</b> 15 Years</p> <p><b>Incentives:</b> Density Bonus up to 20% for Single Family and up to 10% for Multifamily</p> <p><b>Price Calculation:</b> Initial price calculation determined by the ADUAB based on the development cost of the unit.</p> <p><b>Resale Requirements:</b> Between years 0-15, resale price calculation based on increase in CPI and fair market value of some improvements. Resales between years 15 – 50 (extended control period) may be sold at fair market value, but the difference in sale price must be split between the seller and County Housing Trust.</p> <p><b>Annual Homeowner Requirements (Recertification):</b> Required annual affidavit regarding primary domicile.</p> <p><b>Other Notes:</b> Policy does not limit or address Condos/HOA Fee or Parking Requirements. ADU sale control price shall include a 1.5 percent sales commission/finders fee to be paid to such real estate agent.</p>
<p>AFFORDABILITY</p>	<p><b>OUTCOMES</b></p>
<p><b>40% - 70% AMI</b></p>	<p><b>Unit Production:</b> Between 2017 – 2022, 430 ADU units were sold. 20% at 40% AMI, 27% at 50% AMI, 27% at 60% AMI and 25% at 70% AMI.</p>

**Source(s):** Loudon County, Article 7: Administration and Regulation of Affordable Dwelling Unit Developments and Loudon County, Chapter 1450: Affordable Dwelling Units

**\*Note:** Loudon County is included here as a reference for other program components, and due to the fact that there are limited Virginia examples of 60%-120% programs.

## CASE STUDIES | MONTGOMERY COUNTY, MARYLAND

### Workforce Housing Program

<p>APPLICABILITY</p>	<p><b>CONTEXT</b></p>
<p><b>Voluntary for For-Sale 35+ Unit Projects</b></p>	<p><b>Program Administration:</b> Montgomery County Department of Housing and Community Affairs (DHCA)  <b>Year Introduced:</b> 2006</p>
	<p><b>PROGRAM COMPONENTS</b></p>
<p>GEOGRAPHY</p>	<p><b>Portion of Development:</b> Dependent on site, recent examples include requiring 8% of the total site to be WHP units. As a note, WHP are backed out of the required total of MPD units required.</p> <p><b>Length of Affordability (Covenant Term):</b> 20 Years</p> <p><b>Incentives:</b> A density bonus is possible for projects in CR zones, however in most cases density bonuses have not been implemented.</p> <p><b>Price Calculation:</b> The initial price is calculated to ensure housing costs at or below 30% of target AMI.*</p> <p><b>Resale Requirements:</b> The resale price must be affordable and no greater than the determined standard price of a new WHP. If the resale price is less than the original sales price, the county will pay the difference. Sales &lt;20 years must be to a qualified buyer (120% AMI or below). After 20 years, there are no resale restrictions, but half of the excess sale proceeds must be paid to the Housing Initiative Fund.</p> <p><b>Annual Homeowner Requirements (Recertification):</b> Required annual recertification. Montgomery County has allowed for waivers, and one full development has since requested a waiver to exit the compliance period early.</p>
<p><b>Entire Jurisdiction</b></p>	
<p>AFFORDABILITY</p>	
<p><b>Up to 120% AMI</b></p>	<p><b>OUTCOMES</b></p>
	<p><b>Unit Production:</b> 5 total for-sale developments (including multiple units in each) have included WHP units. Exact unit counts not provided.</p>

*Source(s): Montgomery County, Article V: Workforce Housing Program*

\*As a note, Montgomery County's MPDU program's price does reflect construction cost estimates, calculated by the county and updated annually based on CPI-U.

## CASE STUDIES | WASHINGTON, DISTRICT OF COLUMBIA

### Inclusionary Zoning Program

<p>APPLICABILITY</p>	<p><b>CONTEXT</b></p>	
<p><b>Mandatory for For-Sale 10+ Unit Projects</b></p>	<p><b>Program Administration:</b></p>	<p>Department of Housing and Community Development (DHCD)</p>
	<p><b>Year Introduced:</b></p>	<p>2009</p>
<p>GEOGRAPHY</p>	<p><b>PROGRAM COMPONENTS</b></p>	
<p><b>Entire Jurisdiction (some exceptions)</b></p>	<p><b>Portion of Development:</b> 8%-10% of residential square footage depending on zoning</p>	
<p>AFFORDABILITY</p>	<p><b>Length of Affordability (Covenant Term):</b> 99 Years</p>	
<p><b>50% - 80% AMI</b></p>	<p><b>Incentives:</b> Up to 20% density bonus (13% average bonus in 2022); single-family zones excluded</p>	
	<p><b>Price Calculation:</b> The initial price is calculated to ensure housing costs at or below 30% of target AMI.</p>	
	<p><b>Resale Requirements:</b> Based on the Ten-Year CAGR of Median Income from the year of purchase to the year of the unit's sale by the owner, tying resale price to AMI. Buyer eligibility is determined by household size and income.</p>	
	<p><b>Annual Homeowner Requirements (Recertification):</b> The homeowner must certify annually that the unit is their primary residence.</p>	
	<p><b>Other Notes (Condos/HOA Fees Requirements, Parking Requirements):</b> Fees estimated at \$0.75 per sf per month for multifamily developments and \$0.13 per square foot per month for single-family homes</p>	
	<p><b>OUTCOMES</b></p>	
	<p><b>Unit Production:</b> As of the end of fiscal year 2022, 377 for-sale units have been produced which represents 19% of all inclusionary zoning units produced since the program was introduced.</p>	

Source(s): DC Department of Housing and Community Development

## CASE STUDIES | PALM BEACH COUNTY, FLORIDA

### Workforce Housing Program

<p>APPLICABILITY</p>	<p><b>CONTEXT</b></p>
<p><b>Mandatory For-Sale 10+ Unit Projects</b></p>	<p><b>Program Administration:</b> Department of Housing and Economic Development (HED), Board of County Com. <b>Year Introduced:</b> 2006; 2019 revision to incentivize for-sale</p>
<p>GEOGRAPHY</p>	<p><b>PROGRAM COMPONENTS</b></p>
<p><b>Urban/Suburban Tiers</b></p>	<p><b>Portion of Development:</b> For a limited incentive, 2.5% - 8% of density is required. For the full incentive (including density bonus + other incentives) is 4.38% -14% of density. Units may be provided offsite. <b>Length of Affordability (Covenant Term):</b> 15 years <b>Incentives:</b> Both a Limited Incentive (density bonus up to 50%) and a Full Incentive (density bonus up to 100%). <b>Price Calculation:</b> Sale Price based on 3x AMI and adjusted to the midpoint of each category (70%, 90%, 120%). <b>Resale Requirements:</b> The resale price is determined by the designated income category of the unit, and the current sales price for that category. If the unit is sold before the 15-year covenant expires, then the restriction timeframe resets at sale, and a new 15-year period begins. After 15 year, the unit can be sold at market price. <b>Annual Homeowner Requirements (Recertification):</b> A yearly statement of compliance is required that may also include a site visit. <b>Other Notes (Condos/HOA Fees Requirements, Parking Requirements):</b> HOA Fees are included in monthly housing costs, used to estimate the amount a household could pay (30-35% of monthly income).</p>
<p>AFFORDABILITY</p>	<p><b>OUTCOMES</b></p>
<p><b>60% - 120% AMI</b></p>	<p><b>Unit Production:</b> From 2012- 2022, 273 for-sale units have been produced through the program, including 107 units under development as of January 2022.</p>

Source(s): Palm Beach County, Article 5