
Presentation on Montgomery County's Housing Production Fund

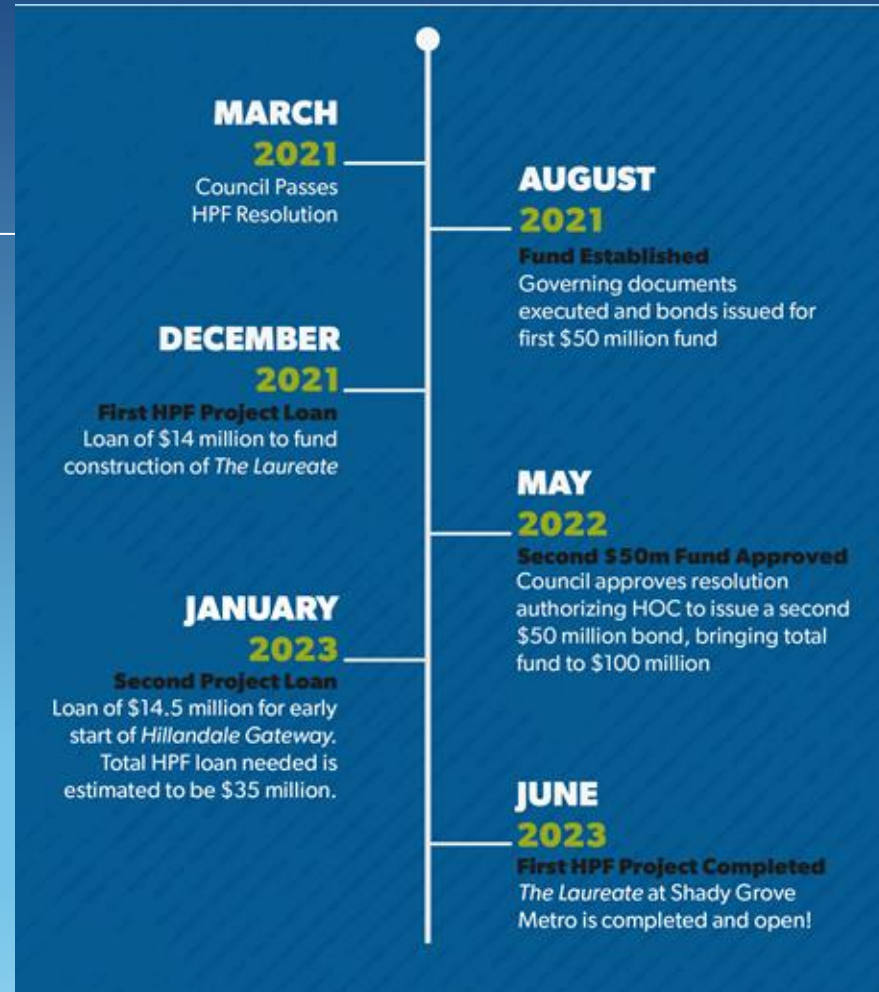


Andrew Friedson
Montgomery County (MD)
Councilmember

Chair,
Planning, Housing &
Parks Committee



It was two years from the creation of the fund to the opening of The Laureate, which is over 90% leased



The Laureate (Shady Grove)

The first new development to utilize HOC's Housing Production Fund, *The Laureate* is a 268-unit, transit-oriented community in Rockville, just steps from the Shady Grove Metro Station. Construction was funded without LIHTC equity or long-term funding from the County's housing trust fund. This mixed-use building also houses local-serving retail and HOC's Upcounty Customer Service Center.

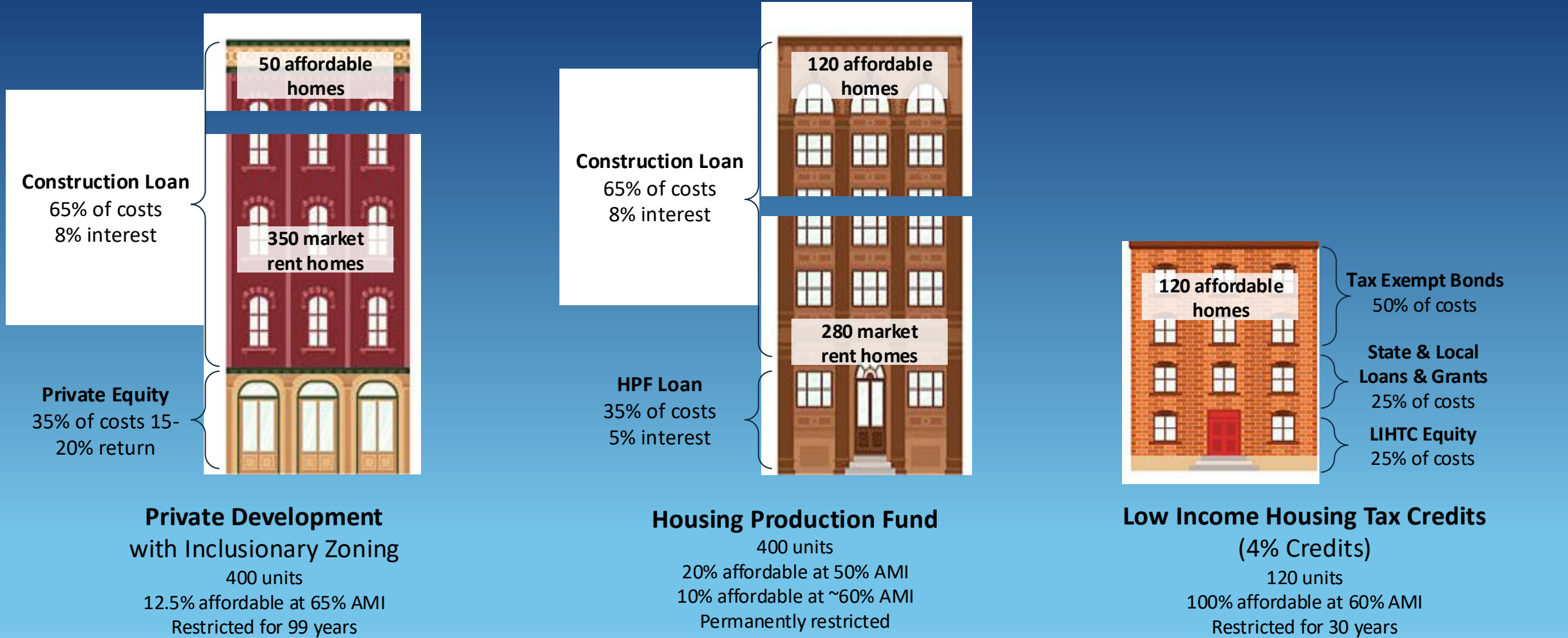
268 Units

25% at 50% AMI, 5% MPDU

Opened June 2023

Partners: EYA + Bozzuto

The Housing Production Fund is a third channel that can produce housing without cannibalizing private investment or limited subsidy



Fast, simple, and scalable: the \$100 million Housing Production Fund is on track to finance 6,000 new homes every twenty years

\$54 million in taxpayer dollars enables **\$2 billion** in investment

\$30,000 in county funds per affordable home

6,000 new homes over 20 years

30% affordable = 1,800 permanently affordable homes

Seven projects by 2030

More projects could be added with additional resources

The New York Times

This Is Public Housing. Just Don't Call It That.

Montgomery County, Md., like many places, has an affordable housing crisis. So it started acting like a benevolent real estate investor.

FASTCOMPANY

How this sleek affordable housing project in Maryland became a reality

This public-private partnership could be a model for affordable housing across the country.

Vex

What if public housing were for everyone?

Local governments are trying a new way to address the housing crisis.

Bloomberg

The Montgomery County Model for Affordable Homes

How Montgomery County, Maryland pioneered a new affordable housing model.



The Laureate, located at the Shady Grove metro, was the first HPF project to open to residents in June 2023. It is 98% leased.

HOC's real estate activity has added over \$3 billion to Montgomery County's economy over the last 15 years

\$1,833,206,207

Total development spending by HOC and/or by HOC supported developments since 2009 and in the immediate pipeline. This excludes acquisition costs, guarantees and reserves.

\$3.1 billion
Total economic output

This output is equivalent to a 1.7 economic impact multiplier. In other words, for every dollar of real estate development, financing and related activities by HOC and partners, an additional \$0.70 in economic value is created in the County.

\$1.1 billion
In labor income

Of the total \$3.1 billion economic output, \$1.1 billion is spent on labor compensation.

\$51 million
In County tax revenue

19,103
Jobs supported or created

Through these investments, HOC is creating an estimated 10,391 jobs in the County. In addition to this direct employment, the investment is creating an additional 8,711 jobs though indirect (business-to-business transactions indirectly caused by the direct spending) and induced (increased personal income and consumption caused by the direct and indirect effects) economic activities, for a total of 19,103 jobs.

To measure the economic impact on the local economy, HOC uses the IMPLAN economic impact assessment analysis software to generate data for the impact of its real estate activities on the economy.

The certainty of HPF financing allows HOC to develop a robust pipeline regardless of market conditions



Hillandale Gateway (East County)

A new mixed-use, mixed-income community located on the site of Holly Hall Apartments, a former 96-unit Public Housing community in Silver Spring. *Hillandale Gateway* will consist of 155 age-restricted residential units, 308 multifamily apartments, retail, and parking. Both buildings will be built to Passive House standards. The senior building is planned to be **Maryland's first zero net energy passive house multifamily residential building**.

268 Units

25% at 30-50% AML, 28% at 60-80%

Opening 2025

Partner: Duffie Companies



Wheaton Gateway (Wheaton)

Proposed vibrant new mixed-use residential and retail property on 5+ acres in Wheaton, MD, featuring mixed-income, multifamily housing, and exciting public and commercial spaces at the site of the Lindsay Ford automotive dealership. *Wheaton Gateway* will include a variety of unit types (i.e., 1-, 2-, and 3-bedroom units) offered at various prices (target of 70% market-rate and 30% MPDUs). The project is planned for three phases, and buildings will be designed to meet Passive House standards.

800 Units

20% at 50% AML, 10% MPDU

Phase 1 start 2025

Partner: Duffie Companies



Elizabeth House IV (Silver Spring)

This proposed 25-story, 315-unit high-rise multifamily building, will join the soon-to-open senior building The Leggett (formerly Elizabeth House III) and the newly renovated Alexander House to form Elizabeth Square. To complement the Silver Spring Regional Recreation and Aquatics Center, *Elizabeth House IV* will include a cafe, live/work artist studios, and business center.

315 Units

20% at 50% AML, 10% MPDU

Opening TBD

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