

PRINCE GEORGE'S COUNTY COUNCIL

COMMITTEE REPORT

2025 Legislative Session

Reference No.: CB-075-2025

Draft No.: 2

Committee: PLANNING, HOUSING, AND ECONOMIC DEVELOPMENT

Date: 10/16/2025

Action: FAVORABLE WITH
AMENDMENTS

REPORT: Committee Vote: Favorable with amendments, 5-0 (In favor: Council Members Dernoga, Oriadha, Adams-Stafford, Hawkins, and Olson)

The Planning, Housing, and Economic Development (PHED) Committee met on October 16, 2025, to consider CB-075-2025. PHED Committee Director Rana Hightower summarized the purpose of the legislation and informed committee members about public comments and feedback received from agencies within Prince George's County

As presented on Tuesday, September 16, 2025, Draft-1 is for the purpose of establishing a voluntary program for moderately priced dwelling units. This program will identify eligible developments, set the minimum delivery of moderately priced units, and include binding agreements with the County. It will offer alternative methods for complying with unit delivery and development incentives, specify eligibility criteria for households interested in purchasing these units, and establish sale and resale limitations. The bill will also include administrative regulations and require annual reporting on the program, relating to housing development in Prince George's County.

Ms. Miller-Whyte, from the County Council's Budget and Policy Analysis Division, explained that the bill establishes a voluntary moderately priced dwelling unit (MPDU) program under the Prince George's County Department of Housing and Community Development (DHCD). Eligible development projects must include 10 or more single-family dwelling units and must submit preliminary plans, construction and development proposals, plans of conversion, and application permits for approval. In addition, a development project with 10 or more dwelling units must have all the land in one location within the County.

The program also offers optional incentives to applicants who provide at least 10% of moderately priced dwelling units within the proposed development project. The building incentives include density bonuses, reduced application fees, and expedited application review.

Ms. Miller-Whyte discussed how the Montgomery County MPDU Program offers flexibility and imposes restrictions. For all new developments with 20 or more units, 12.5% to 15% of the total number of units in the development must be MDPUs. The overall number of units and the percentage are dependent on the density bonus achieved by developers.

The direct fiscal impact will be adverse, requiring the addition of significant administrative responsibilities to DHCD to create the program. This legislation would require start-up costs related to establishing program rules, which may necessitate a feasibility study. Outside of start-up costs, there will likely be a recurring County contribution to cover operating costs after the initial setup. However, once the program is fully funded, it could increase the County's property taxes and also fund other program activities through the CHOICE Special Revenue Fund.

The adoption of CB-075-2025 is likely to increase affordable homeownership within the County, especially as the costs of homes continue to rise nationwide, making it difficult for first-time homebuyers. The proposed legislation may also increase development, as incentives will be available for developers.

Vice-Chair Oriadha, the bill sponsor, explained that she is interested in striking a balance between wanting market-rate housing, increasing income, and supplying housing for the missing middle. This bill provides an opportunity to increase homeownership. She explained that affordable housing is often focused on rental units, not on first-time homebuyers. The cost for a first-time homeowner to purchase a townhome in the County is frequently not affordable, and this legislation creates that opportunity. In Montgomery County, the program is mandatory. The goal is to start with incentives, rather than making the program mandatory, to encourage developers to set aside affordable single-family units.

The Planning Department submitted a memorandum with numerous comments. Director Hull, from the Planning Department, explained that they want to make sure there are references in the Subdivision Regulations and the Zoning Ordinance to ensure the MPDU program is fully enforceable. She also mentioned that the legislation references the incorrect number of master plans and sector plans. Mr. Smith explained that several areas within the bill would require amendments to the Subdivision and Zoning Ordinances. He explained that the legislation recommends fee reductions for the Maryland-National Capital Park and Planning Commission's (M-NCPPC) review and approval of preliminary plans, detailed site plans, and permits. The proposed bill will not decrease the expenses M-NCPPC incurs for these reviews; therefore, alternative funding will be necessary.

Council Member Dernoga mentioned that some of the Planning Department's comments pertained to the bill, while others addressed the need to amend the Subdivision and Zoning Ordinances. Vice Chair Oriadha explained she is comfortable with any technical amendments. Mr. Irving explained that it would take time to reconcile the Planning Department's comments and determine if their comments are substantive or policy recommendations. Vice Chair Oriadha mentioned that the clean draft of the bill with the technical amendments could be ready before introduction.

Council Member Olson asked Director Bulter the status of the study on inclusionary zoning that the Department of Housing and Community Development was conducting. Director Butler explained he would follow up with his Deputy Director on the status of the study. He also said that DHCD supports the legislation with amendments. An MDPU is an ongoing operational commitment that requires staff capacity to (1) review development proposals to ensure inclusionary requirements are met, (2) negotiate and monitor developer agreements, establish affordable unit obligations, (3) coordinate with the Planning Department, the Department of Permitting, Inspections and Enforcement (DPIE) and the Office of Law to incorporate affordability covenants into subdivision and sales documents, (4) certify eligible

home buyers, maintain waiting lists and oversee marketing efforts to ensure fair access, (5) monitor long term affordability restrictions and manage resale compliance for decades after the initial sale. The program will require the new design of systems and processes. DCHD would need the resources to start and run the program effectively.

Mr. Irving provided background on the proposed language. He explained that the drafting of the proposed legislation began months ago, and there had been previous consultations with the Planning Department and DHCD throughout the drafting process. Due to Section 27-3501 of the Zoning Ordinance timelines for zoning bills, there was an understanding that non-zoning legislation would be drafted. The bill sponsor agreed that amendments to the Zoning and Subdivision Ordinances would be made in separate bills at a later time.

Council Member Adamas-Stafford stated she is very supportive of the legislation and requested an amendment to reduce the surcharge fee. Council Member Dernoga asked if the County Council is allowed to reduce the surcharge? Vice Chair Oriadha suggested that Council Member Adams-Stafford's amendment to reduce fees could be included in the program regulations. Council Member Adams-Stafford agreed to include her amendment in the program regulations. Council Member Dernoga asked if the fee reduction would be on the entire project or the MPDU? Vice-Chair Oriadha explained the Council could work together to make that determination.

On motion of Vice Chair Oriadha, seconded by Council Member Hawkins, the PHED Committee voted 5-0 in favor of CB-075-2025 with an amendment to include non-substantive amendments in the Planning Department's memorandum.