FREQUENTLY ASKED QUESTIONS

Montgomery County, Maryland
MODERATELY PRICED
DWELLING UNIT (MPDU) PROGRAM
www.montgomerycountymd.gov/mpdu

For Builders and Developers

1. Q. I just received site plan approval for my project and I am required to provide MPDUs. What do I do next?

A. Before you can obtain the necessary building permits for your overall project, you must prepare and enter into an “Agreement to Build Moderately Priced Dwelling Units” with Montgomery County’s Department of Housing and Community Affairs (DHCA). Allow at least thirty (30) days for an initial review by DHCA staff, and an additional thirty (30) days for final approval by DHCA. Please consult the “MPDU Process for Developers and Builders” summary sheet on our website, and contact MPDU staff at 311 for further information.

2. Q. How do I receive waivers for impact taxes from the Department of Permitting Services (DPS) and Systems Development Charges (SDC) from the Washington Sanitary Sewer Commission (WSSC) for my MPDUs?

A. Builders are exempt from impact taxes and SDCs on all MPDUs in their developments. DHCA will request these waivers by sending a memo to DPS and a letter to WSSC after the MPDU Agreement to Build is approved. You will need to provide a copy of DHCA’s letter to WSSC in order to receive the SDC waiver.

3. Q. What do I need to do in order to sell or lease my MPDUs?

A. Before you sell or lease any MPDUs in your project, you will need to prepare and enter into an “MPDU Sales Offering Agreement” or “MPDU Rental Offering Agreement” with DHCA. We recommend that you start this process at least three (3) to six (6) months before you intend to sell or lease the first MPDUs in your development. Please consult the “MPDU Process for Developers and Builders” summary sheet on our website, and contact MPDU staff at 311 for further information.

4. Q. How do I make the MPDUs available to MPDU buyers or renters?

A. After your Offering Agreement is approved by DHCA, the Housing Opportunities Commission (HOC) and eligible nonprofits have up to 21 days to decide if they wish to purchase or master-lease any of the MPDUs for their clients. (HOC and the nonprofits may reserve up to 40 percent of the MPDUs in any given offering.) For sale MPDUs, DHCA staff will schedule a Random Selection Drawing (RSD) for eligible MPDU certificate holders, usually three weeks after your Offering Agreement has been approved, in order to give HOC and the nonprofits adequate time to make their selections. The RSD will produce a list of names of MPDU certificate holders who you must contact in the order indicated to offer the MPDUs for sale. You must schedule a training with DHCA staff for your sales and settlement staff before you may sell any of the MPDUs. For rental projects, once the Offering Agreement has been approved and HOC and eligible nonprofits have made their selections, the MPDU staff will list your project on our website directing
prospective MPDU renters to contact the leasing office for more information. Your leasing staff must be trained by DHCA staff before leasing any MPDUs, and the MPDUs may not be leased until HOC and the nonprofits have made their selections.

5. **Q. How are the rents for my MPDUs established?**

   A. The rents you are permitted to charge are based on the maximum incomes by household size that are in effect at the time of your offering. Information on current MPDU rents can be found on the MPDU Program website at www.montgomerycountymd.gov/mpdu.

6. **Q. How are the sales prices of my MPDUs established?**

   A. The sale price at which you can sell an MPDU is based on a pricing formula set by Montgomery County. Pricing information can be found on the MPDU website under the section For Builders and Developers.