

Arundel Community Development Services, Inc.

Moderately Priced Dwelling Unit (“MPDU”) Program

Frequently Asked Questions (“FAQ”)

Last updated: August 21, 2026

FAQS FOR DEVELOPERS/BUILDERS

Background

The following FAQs provide information about Anne Arundel County’s Moderately Priced Dwelling Unit (“MPDU”) Program, created by the Housing Attainability Act, Anne Arundel County Council Bill 72-24, codified at Anne Arundel County Code Section § 17-12-101 through § 17-12-115 (as amended). The MPDU Program requires the inclusion of affordable units in most rental and for-sale developments with 10 or more units and provides density bonuses and other land use benefits and flexibility for housing development.

Anne Arundel County has named Arundel Community Development Services, Inc. (“ACDS”) as the MPDU Administrator. The ACDS website includes a special MPDU section (the “**MPDU Website**”) that provides resources for landlords, developers, tenants, homebuyers and other interested parties regarding the MPDU Program:

<https://acdsinc.org/moderately-priced-dwelling-unit-mpdu-program/>

While the MPDU Program is effective as of July 1, 2025 (the “**Effective Date**”), it applies only to new developments that submit applications to the Anne Arundel County Office of Planning and Zoning (“**OPZ**”) for a Sketch Plan for Subdivision or a Preliminary Plan for Site Development after the Effective Date. Therefore, the first units will not be available for purchase or rent until new developments are complete, which is expected to be approximately 24 months after the Effective Date. ACDS will be posting additional information on the MPDU Website regarding the opening of waiting lists, application materials and the availability of units. We encourage all interested parties to monitor the MPDU Website for updates.

As of the date of this FAQ, no developments including MPDUs are under construction. Updated information on construction of developments and availability of MPDUs will be posted on the MPDU Website as updates are available.

For any questions not addressed in this FAQ sheet, please check the materials on the MPDU Website or contact ACDS at mpdu@acdsinc.org or OPZ at [Planning and Zoning Customer Support](#).

These FAQs will be periodically updated and posted to the MPDU website.

Applicable federal, State, and County laws and regulations in the sale or leasing of MPDUs, include, but are not be limited to (i) the Federal Fair Housing Act, (ii) the Americans with Disabilities Act, Section 504 of the Rehabilitation Act, (iii) Article 49B of the Maryland Annotated Code, (iv) Anne Arundel County fair housing laws, and (v) any other laws that prohibit discrimination on the grounds of age, ancestry, citizenship, color, creed, disability, familial status, gender identity or expression, marital status, national origin, occupation, race, religion, sex, sexual orientation.



For information on renter/homeowner eligibility and other details on for-sale and rental community operations, see the separate FAQs for Homebuyers and for Renters/Landlords on the MPDU Website.

What developments are subject to MPDU Program requirements? Developments with 10 or more units that are not entitled to any of the exemptions set forth below and for which an application for a Sketch Plan for Subdivision or a Preliminary Plan for Site Development is submitted on or after the Effective Date.

What developments are exempt from the MPDU Program? The following developments do not have to comply with the MPDU Program requirements:

- i. developments with fewer than 10 units;
- ii. developments in areas zoned RA (Rural Agricultural) and RLD (Rural Limited Development);
- iii. developments financed under local, state or federal financing programs that provide an equal or greater number of income-restricted units than would be required by the MPDU Program;
- iv. developments financed or developed by ACDS that provide equal or greater number of income-restricted units than would be required by the MPDU Program;
- v. Workforce Housing developments pursuant to the Anne Arundel County Code, Article 18, title 10; and

- vi. housing for elderly of moderate means pursuant to Anne Arundel County Code, Article 18, title 10.

How many units in a development must be MPDUs?

- i. Rental developments are required to reserve not less than fifteen percent (15%) of total units as MPDUs;
- ii. For-sale developments are required to reserve not less than ten percent (10%) of total units as MPDUs.

How are the exact number and type of required MPDUs calculated?

An MPDU Calculation worksheet is available on the MPDU website. Developers should use the worksheet to determine the number of MPDUs required for their proposed developments. The final determination of the MPDU requirement will be made by OPZ.

Are there restrictions on the types of units in a development that must be MPDUs as opposed to market rate units?

Yes. Generally, the MPDUs must be similar to the market rate units in size, number of bedrooms, and other design features. In addition, if a development contains a mix of dwelling types, such as townhouses and single-family homes, the MPDUs must be proportionate in each dwelling type. See the Design Requirements on the MPDU Website for detailed information on unit type, materials, number of bedrooms, landscaping, and other design features.

Does a developer need to make a separate application for an exemption?

No. The proposed development application will be analyzed, including the applicability of MPDU exemptions, as part of the standard development review process.

When can a developer make a contribution in lieu of developing MPDUs?

A contribution in lieu of developing MPDUs is permitted only for developments containing not less than 10 nor more than 19 units and only in exceptional circumstances, as defined in Code Section § 17-12-105. Developers seeking this exemption must apply to OPZ for approval, and if approved, must execute an Agreement for Contribution in Lieu of Development of Moderately Priced Dwelling Units. See the MPDU Website for the Agreement form.

What County fees are waived or exempted for MPDUs?

(i) Each MPDU is exempt from 50% of the water and wastewater system capital facility connection charges (Code Section § 13-5-813); and (ii) each MPDU is entitled to a credit

against development impact fees for schools, roads and public safety (Code Section § 17-11-207). Note that only the MPDUs are credited for these charges, not the entire development or the non-MPDUs.

Are MPDU developments entitled to a density bonus?

Yes. Density bonuses vary depending on the property's zoning. In R1 and R2 zoning districts, developers may propose bonus dwelling units up to 125% of allowable density. In R5 and higher zoning districts, developers may propose bonus dwelling units up to 150% of allowable density. When bonus units are proposed, a higher proportion of those units must be provided as MPDUs. More information on density bonuses can be found in Code Section § 18-12-701.

What documents do developers need to sign?

An MPDU Development Agreement and Declaration of Restrictive Covenants (“**MPDU Agreement**”) between the developer and the County must be signed and recorded against the development as part of the development plan approval. See the MPDU Website for the MPDU Agreement form and the process timeline for execution and recordation of the MPDU Agreement.

What is the sales price of an MPDU?

The purchase price of an MPDU will be established by ACDS and will be updated on a semi-annual basis. The purchase price will be based on an amount affordable to households earning 80% of AMI, adjusted for household size, and accounting for housing cost allowances and prevailing mortgage rates. As of July 1, 2026, the maximum purchase price is \$397,000. For more detail, see the “Program Policy Establishing Initial Sales Price and Housing Income Limits in For Sale Moderately Priced Dwelling Units” available on the MPDU Website.

