

Community Development Housing Plan

for

Charles County, Maryland

Adopted January 10, 2005

Acknowledgements

County Commissioners of Charles County

Wayne Cooper, President

Robert J. Fuller

William D. Mayer

Allan R. Smith

Housing Commission

Dayle M. Tyng, Chair

Minister Anibal Maceira

Cornell T. Posey

Andria “Andie” J. Corby

Alvin Marbray

Tammy Maguire

Dr. Edith J. Patterson

served through Spring 2003

David Sjogren

Department of Community Services

Margaret Cheseldine,

Director

Lemuel Carpenter, Chief, Division of Housing
and Community Development

Lisa Quill, Chief, Division of Transportation

Consultant Team

Environmental Resources Management, Annapolis, Maryland

Randall Gross, Development Economics, Washington D.C.

Executive Summary

The purpose of the Community Development Housing Plan (the Plan) is to identify housing needs in Charles County and set policies and actions to address those needs for the next five to ten years. The Plan serves as a guide for actions to be taken by the Charles County Commissioners, the Charles County Housing Commission, and the Department of Community Services, as well as related departments, groups and organizations. The Plan updates the last Community Development Housing Plan, which was adopted in 1994.

With Charles County's rapid growth, housing policy has been at the forefront of local debate and decision making since the last Plan. In the early 1990s the County adopted several important pieces of what evolved into its growth management program. These included:

- A new Comprehensive Plan (1990) that created a development district where most development would be directed; implemented through a new Water and Sewer Plan (1994),
- Creation of a Housing Commission (1991), and
- A totally rewritten, density-based, zoning code (1992) that promoted mixed-use development through Planned Development zoning districts, and that responded to the identified need for affordable housing with measures such as: a Moderately Priced Dwelling Unit Program, (voluntary); accessory apartments permitted by right in certain residential zoning districts; commercial apartments permitted in certain commercial zoning districts; and manufactured homes permitted in most of the County.

By the mid 1990s there were increasing concerns over the quality, appearance, location, and mix of housing being built in the County. By the late 1990s these concerns became coupled with four others: falling property values in much of the County; conversion of owner occupied homes to rental in some neighborhoods; problems of crime and disinvestment in some older neighborhoods in Waldorf; and the effects of residential growth on school capacity. Beginning in 1997 the County adopted a number of policies in response to these concerns including:

- Restrictions on zoning districts where townhouse and multi-family units were permitted,
- A housing unit allocation system as part of adequate public facilities requirements,
- Minimum housing size and appearance standards for both single family detached and townhouse units,
- Downzoning of large areas in the central and western parts of the development district,
- Increases in impact fees, culminating in 2003 with adoption of an excise tax.

These policies, together with low interest rates and a strong, sustained market for all types of housing throughout the Washington Metropolitan Area, have largely had their intended effect. Residential property values have stabilized and median house prices have increased each year since 1999. Fewer townhouses and multi-family housing are being built (between 1998 and 2002 only 60 multi-family building permits were issued in the County). The cost of residential construction has increased. The rental market has tightened. Many sectors of the housing market in Charles County are healthy. However, as of 2003 and looking to the future, it is becoming evident that the housing needs of important sectors of Charles County's population are not being met and that their needs will increase. Indicators are:

- Almost no for-sale housing is available at lower price ranges.
- The rental market is extremely tight; at or close to 100 percent occupancy.
- There is lack of workforce housing, to supply the needs of Charles County's labor force. A worker earning the median weekly wage in Charles County in 2001 (\$567, or \$29,500 a year) cannot afford the fair market rent for a studio (\$748/month) or a one-bedroom apartment (\$851/month). Young professionals such as teachers or police officers have difficulty finding housing.

- A survey conducted for this Plan found that about one in three businesses in Charles County were impacted negatively by the lack of affordable housing.
- Over 26 percent of renter households and 15 percent of owner households spent over 35 percent of their income on housing in 2000. The national standard for housing affordability by income level is that housing costs should be no more than 30 percent of annual household income.
- The homeless population is rising. Emergency and transitional housing are unable to meet the needs of this population.
- The cost of building new housing has increased. The minimum production cost for new single-family detached housing has risen to approximately \$251,600 per unit.
- Charles County population is projected to increase by almost 63,000 (52 percent) by 2020, the fastest of any county in Maryland.
- The senior population (age 60 and over) is projected to rise from 13,500 in 2000 to 37,747 in 2020. The number of seniors with a housing cost burden (paying more than 35 percent of income for housing) could triple.

In response to these needs, the Community Development Housing Plan is organized around five goals. Under each goal are specific policies and actions designed to address identified needs. The Plan's goals, policies, and actions are not mutually exclusive; actions taken in support of one goal will help achieve other goals.

Goal 1 Increase the supply of housing that is affordable to residents at different income levels.

This Plan defines affordable housing as housing costing no more than 30 percent of household income. By 2020 Charles County will need housing for approximately 26,400 new households. Based on the County's household income distribution mix in 2000, approximately 63 percent of the households in 2020 will have incomes over \$50,000 a year (2000 \$). These households, in general, will be able to find affordable housing provided by the private housing market under current housing policies. Ensuring a housing supply that is affordable to the other 37 percent (approximately 9,800 households) will require adjustments in housing policies. These households will need housing ranging in cost from less than \$200 per month (for approximately 1,750 of the 9,800 households) to less than \$1,063 per month (for approximately 3,981 of the 9,800 households).

Increasing the supply of housing that is affordable to residents at different income levels will provide multiple benefits to Charles County:

- **Support economic development.** Charles County is competing with surrounding areas for jobs. An adequate resident labor force is essential to attracting new employers to the County and this labor force must be housed.
- **Provide housing opportunities for young professionals currently squeezed out of the housing market.** Once in the County, these professionals will tend to stay benefiting the County's economy as their incomes grow.
- **Increase quality of life in the County by providing more housing choices.**
- **Provide more housing opportunities for seniors.** Increasing the supply of housing will enable more seniors, and their retirement income, to stay in the County.
- **Provide the necessary population to help create lively, pedestrian-friendly places in town centers and activity centers, in support of the Bryans Road and Waldorf Sub-Area plans.**
- **Reduced impacts on schools.** Multi-family units generate less school children than single family homes (three multi-family units in Charles County generate approximately the same number of school children as two single family units).

Policies that would achieve Goal 1 are:

- Promote the creation of attached and multi-family dwelling developments. In order to meet the Comprehensive Plan's housing unit mix goal of 70 percent single-family detached, 20 percent

single-family attached and 10 percent multi-family, the County will need to increase the share of permits for attached and multi-family housing.

- Reduce the cost of developing affordable housing.
- Encourage the inclusion of affordable housing in market-rate housing developments.
- Support the development of projects with affordable housing.
- Broaden the diversity of well-designed housing product types in Charles County.

Recommended actions to implement Goal 1

- Zone more land for attached and multi-family dwellings.
- Review the school allocation policies under the County's growth management Adequate Public Facility regulations.
- Target the mixed-use areas in the Bryans Road and Waldorf Sub-Area plans to create opportunities for attached and multi-family dwellings.
- Increase permissible development densities in selected suitable parts of the County.
- Increase height limits in selected parts of the County.
- Increase the number of exemptions that can be granted to the County's minimum size and façade requirements for single-family homes.
- Consider exempting some types of development from the excise tax.
- Reduce or eliminate the cost of hookup fees for water and sewer for some types of development.
- Reserve a percentage of school capacity allocations for projects with affordable housing.
- Revise the density bonus provisions of the MPDU program.
- Enhance the capacity of the non-profit housing developers in the County.
- Initiate more active participation by the Housing Commission in assisting the development of affordable housing.
- Support and promote the development of different types of housing product.
- Housing Commission participation in the future further development of the County's Architectural and Site Design Guidelines and Standards for residential development.
- Promote new developments with good design.

Goal 2 Increase the number of housing units in Charles County available for renter occupancy

The key policy to achieve this goal would be to encourage an increase in the number of renter-occupied units in the County from the 2000 rate of 22 percent to 24 percent. This would mean creating approximately 7,400 new units available for rent by 2020.

Recommended actions to implement Goal 2

- Promote the creation of attached and multi-family dwellings.
- Publicize the accessory apartment provisions of the zoning ordinance.
- Conduct a rental survey.

Goal 3 Provide for the housing needs of special populations including the low and very low-income, seniors, homeless, and disabled populations

No new policies are needed to achieve this goal. It would be achieved through a combination of pursuing the policies and actions under the other goals in this Plan, together with continuing to pursue the programs that target these populations.

Recommended actions to implement Goal 3

- Pursue the policies and actions under the other goals, including prevention initiatives.
- Monitor the housing needs of these special populations.

- Provide additional emergency shelter beds.
- Continue to pursue programs that can assist these populations.
- Review the effectiveness of current agency referral systems.
- Monitor fair housing practices in Charles County.
- Sponsor a housing summit on the needs of one or more of the special population groups.

Goal 4 Ensure the health and stability of existing neighborhoods and communities

Policies that would achieve this goal are:

- Address the needs of at-risk neighborhoods and communities susceptible to decline and blight.
- Reduce the numbers of physically substandard housing units in the County.
- Improve Homeowners' Associations abilities to address the problems that occur in operating and maintaining their communities.

Recommended actions to implement Goal 4

- Help implement and monitor implementation of the Heathcote Road Community Legacy Plan.
- Help implement and monitor implementation of the Nanjemoy Housing Task Force recommendations.
- Prepare comprehensive neighborhood revitalization plans for other communities using the Heathcote Road Community Legacy plan as a model.
- Encourage homeownership in neighborhoods where a high renter occupancy rate is having a destabilizing effect.
- Continue to develop support services such as community centers, family support centers, and Judy Centers.
- Grants developer position within the Department of Community Services to seek grants from foundations and large corporate givers to assist with housing and community revitalization.
- Work with and support organizations such as Christmas in April that upgrade substandard units.
- Provide an additional Loan Processor position within the Department of Community Services to expand participation in programs targeted to substandard units.
- Strengthen enforcement of the livability code.
- Explore incentives such as tax credits for rental property owners who install indoor plumbing.
- Follow up on the recommendations of the 2000 Homeowners' Association Task Force.

Goal 5 Raise awareness for housing issues in the County

No new policies are needed to achieve this goal. However, housing is such an important issue in Charles County that more attention needs to be focused on it, in much the same way that the County's Economic Development Commission has focused attention on economic development issues.

Recommended actions to implement Goal 5

- Hold an annual Housing Commission Housing Summit.
- Promote public education for housing issues.

The following table lists 10 recommended steps to begin to implement the plan. The single most effective way of increasing the supply of housing that is affordable to residents at different income levels is to increase the supply of attached and multi-family dwelling developments in Charles County. This will relieve pressure on all market segments including young professionals, seniors, and persons needing emergency and transitional housing.

Recommended Next Steps

Step	Goal, Policy, Action #	Action	Cost ¹	
			Annual/Ongoing	One-Time
1.	1.1A.i	Zone more land for attached and multi-family dwellings.	Zero	
2.	1.1A.iii	Target the mixed-use areas in the Bryans Road and Waldorf Sub-Area plans to create opportunities for attached and multi-family dwellings.	Zero	
3.	1.1B.i	Increase permissible development densities in selected parts of the County.	Zero	
4.	1.1B.iv	Consider exempting some types of development from the excise tax.	\$867,900	Zero
5.	1.1C.i	Reserve a percentage of school capacity allocations for projects with affordable housing.	Zero	
6.	1.1D.i	Enhance the capacity of the non-profit housing developers in the County.	\$233,700	\$100,000
7.	1.1D.ii	Initiate more active participation by the Housing Commission in assisting the development of affordable housing including creation of a local Housing Trust Fund.	Zero	\$250,000
8.	3.iii	Provide additional emergency shelter beds.	\$64,600	\$699,605
9.	4.4A.vi	Grants developer position within the Department of Community Services to seek grants from foundations and large corporate givers to assist with housing and community revitalization.	\$55,000	\$4,000
10.	4.4B.ii	Provide an additional Loan Processor position within the Department of Community Services to expand participation in programs targeted to substandard units.	\$35,000	Zero

Detailed cost estimates for each of the 39 actions recommended in the plan are presented in Appendix D.

¹ See Appendix D for detailed cost estimates.

Table of Contents

Executive Summary	ES-1
Introduction	i
Purpose	i
Related plans and regulations	i
Plan Preparation.....	i
Organization	ii
Chapter 1 Demographic and socioeconomic profile	1-1
Chapter 2 Charles County Housing Policies, 1990 to present.....	2-1
Early 1990s	2-1
Mid 1990s.....	2-1
Late 1990s.....	2-3
Current.....	2-4
Chapter 3 Housing Market	3-1
National and Regional Market Context	3-1
Housing Demand Indicators	3-2
Housing Supply	3-4
Survey of Businesses	3-7
Housing Market Summary.....	3-7
Chapter 4 Needs Assessment.....	4-1
Number of Housing Units.....	4-1
Tenure: Owner and Renter Units	4-1
Housing Unit Type	4-3
Physically substandard housing.....	4-4
Affordability	4-6
Special populations.....	4-7
Special issues: homeowner association capabilities, fair housing, public transportation.....	4-11
Housing and housing assistance programs and providers	4-12
Chapter 5 The Plan	5-1
Goal 1 Increase the supply of housing that is affordable to residents at different income levels.....	5-1
Goal 2 Increase the number of housing units in Charles County available for renter occupancy	5-8
Goal 3 Provide for the housing needs of special populations including the low and very low-income, seniors, homeless, and disabled populations	5-9
Goal 4 Ensure the health and stability of existing neighborhoods and communities.....	5-10
Goal 5 Raise awareness for housing issues in the County	5-12
Recommended Next Steps.....	5-14

Appendices

Appendix A	November 15, 2002 Public Workshop
Appendix B	Demographic and Socioeconomic Background Tables
Appendix C	Business Survey Results Summary
Appendix D	Direct Cost Estimate

List of Tables in Plan Body

		Page
Table 1	Roles of Key Groups and Organizations	ii
Table 1-1	Housing Units and Unit Mix	1-2
Table 2-1	Summary And Status Of Recommended Policies And Actions In 1994 Community Development Housing Plan And 1997 Comprehensive Plan	2-5
Table 3-1	Total Home Sales Trends Charles County, 1997-2002	3-2
Table 3-2	Median Home Sales Price Trends, Charles County, 1997-2002	3-2
Table 3-3	Charles County Building Permits by Type 1990 to 2002.....	3-5
Table 3-4	Single-Family Development Proforma.....	3-7
Table 4-1	Housing Needs Projections Summary	4-2
Table 4-2	Definition of Housing Affordability for Different Income Levels in Charles County	4-6
Table 4-3	Senior Housing Assistance Need and Cost Burden Analysis, Charles County, 2000	4-8
Table 4-4	Groups and organizations Providing Housing, and Housing Programs and Services.....	4-13
Table 5-1	Recommended Next Steps.....	5-14

List of Figures

		On or Follows Page
Figure 1-1	Percent Charles County Households by 1999 Household Income	1-4
Figure 1-2	Charles County Employment by Sector, 2000	1-5
Figure 4-1	Comparison of Cost Burden Among Populations with High Housing Costs	4-8
Figure 5-1	Resident Product Examples	5-6

List of Tables in Appendices

Table 1	Total Population, Charles County, Selected Counties and the State of Maryland, 1980-2000.....	B-1
Table 1A	Total Population, Charles County, Selected Counties and the State of Maryland, July 2000 to July 2002.....	B-1
Table 2	Household Size for Charles County, the State, and Selected Counties, 2000 to 2020	B-1
Table 3	Average Household Size, Charles County, Selected Counties and the State of Maryland, 1980 to 2000	B-2

Table 4	Family Households, Charles County, the State, and Selected Areas, 2000.....	B-2
Table 5	Population by Race, Charles County, 1980 to 2000	B-2
Table 5A	Population by Race, State of Maryland, 1980 to 2000	B-2
Table 5B	Population by Race, Southern Maryland Counties (Calvert, St. Mary’s, and Charles Counties), 1980 to 2000	B-3
Table 6	Population by Age, Charles County, 1990 to 2000	B-3
Table 6A	Population by Age, Maryland, 1990 to 2000	B-3
Table 6B	Population by Age, Southern Counties (Calvert, Charles and St. Mary’s Counties), 1990 to 2000	B-3
Table 7	Householder, Persons 65 years and over, Charles County, State and Selected Counties, 1990 to 2000	B-3
Table 8	Population Projections for Charles County, the State, and Selected Counties, 2000 to 2020	B-4
Table 8A	Household Projections for Charles County, the State, and Selected Counties, 2000 to 2020	B-4
Table 8B	Population Projections by Age, Charles County and the State	B-5
Table 9	Total Housing Units, Charles County, 1980 to 2000	B-5
Table 9A	Occupied Housing Units, Charles County, 1980 to 2000	B-5
Table 10	Housing Unit Type, Charles County, 1980 to 2000	B-6
Table 11	Owner Occupied Housing Units by Householder’s Race, Charles County, 1980 to 2000	B-6
Table 11A	Renter Occupied Housing Units by Householder’s Race, Charles County, 1980 to 2000	B-6
Table 12	Home Value and Income Comparisons, 1990 to 2000	B-7
Table 12A	Monthly Rent and Income Comparisons, 1990 to 2000	B-7
Table 13	Comparison of Substandard Housing Indicators, Selected Counties, and the State of Maryland, 1980 to 2000	B-7
Table 14	Monthly Owners Costs as a Percentage of Household Income, Charles County, 1990 to 2000	B-7
Table 14A	Monthly Renters Costs as a Percentage of Household Income, Charles County, 1990 to 2000	B-7
Table 14B	Monthly Owners Costs as a Percentage of Household Income, Maryland, 1990 to 2000	B-8
Table 14C	Monthly Renters Costs as a Percentage of Household Income, Maryland, 1990 to 2000	B-8
Table 15	Persons Below Poverty Line, Charles County, 1990 to 2000	B-8
Table 15A	Persons Below Poverty Line, Calvert County, 1990 to 2000	B-8
Table 15B	Persons Below Poverty Line, St. Mary’s County, 1990 to 2000	B-8
Table 15C	Persons Below Poverty Line, Maryland, 1990 to 2000	B-8
Table 15D	Persons Below Poverty Line, Charles County, 1990 to 2000	B-9
Table 15E	Persons Below Poverty Line, Maryland, 1990 to 2000	B-9
Table 16	Labor Force and Employment Trends, Charles County, 1995-2001	B-9
Table 17	Employment Trends in Charles and Selected Washington Area Counties, 1990-2000	B-9
Table 18	Employment Trends by Primary Industrial Sector, Charles County, 1990-2000	B-9
Table 19	2001 Median Wages—Selected Charles County Sectors	B-9
Table D-1	Direct Cost Estimate	follows page D-3

Introduction

Purpose

The purpose of the Community Development Housing Plan (the Plan) is to identify housing needs in Charles County and set policies and actions to address those needs for the next five to ten years. The Plan serves as a guide for actions to be taken by the Charles County Commissioners, the Charles County Housing Commission and the Department of Community Services, as well as related departments, groups and organizations including the Department of Planning and Growth Management, the Charles County Economic Development Commission, and non-governmental organizations.

This Plan updates the last Community Development Housing Plan, which was adopted in 1994. Since 1994, the County has added some 5,000 homes and adopted many new policies that have had major impacts on housing in the County. The Plan update offers the opportunity to reassess priorities and to update policies in light of the experience over the past eight years, data from the 2000 census, and changing economic and market conditions.

Related plans and regulations

The Community Development Housing Plan both influences and is influenced by a number of related plans, regulations, and policy documents. The most important of these include:

- **Charles County Comprehensive Plan, 1997.** This plan, prepared by the Department of Planning and Growth Management, sets forth land use and development goals and policies for the whole County. Some plans have been adopted as amendments to the Comprehensive Plan. These include the Bryans Road-Indian Head Sub-Area Plan, 2001. The draft Waldorf Sub-Area Plan is expected to be adopted in early 2004.
- **Zoning Ordinance.** This ordinance is Chapter 297 of the Charles County Code and prescribes ways in which land in the County may and may not be used, including housing types, standards and densities. The Zoning Ordinance contains many of the Counties growth management regulations.
- **Subdivision Regulations.** These regulations govern the subdivision of land including the creation of new lots and land parcels.
- **Comprehensive Water and Sewerage Plan.** This plan governs community water supply and sewerage systems, including expansions and extensions.
- **Area Agency on Aging Area Plan.** This plan prepared by the Department of Community Services provides for coordinated services to elderly persons.

Plan Preparation

The Charles County Department of Community Services prepared this Plan for the Charles County Housing Commission between Summer 2002 and Summer 2004. Public involvement in developing the Plan included:

- Housing Commission review of the Plan program, concepts, and drafts at six public meetings during the plan preparation process. Formal comments from agencies and the public were taken after the September 25, 2003 public meeting.

- A workshop held in November 2002 for housing agencies, providers, and other interested groups (see Appendix A).
- A survey of Charles County businesses conducted in the winter of 2003.
- Interviews with public officials, realtors, property owners, developers, builders, housing agencies, and providers.

The Commission recommended the Plan to the Board of County Commissioners at its meeting on July 20, 2004.

The plan was presented to the Board of County Commissioners at a public meeting on November 16, 2004. The Board held a work session on the plan on January 10, 2005 after which they unanimously adopted the plan.

Organization

A number of groups and organizations are responsible for housing policies and programs in Charles County. The following table summarizes the roles and responsibilities of the key parties involved in preparing or implementing these policies and programs. Chapter 4 provides more information about these groups and their roles.

Table 1 *Roles of Key Groups and Organizations*

Group, Organization	Overall Role	Specific Role with respect to the Community Development Housing Plan
Charles County Commissioners	Chief Elected Body	Adopt the Plan. Approve budget for Plan programs and initiatives. Pass laws necessary to implement Plan policies.
Charles County Housing Commission	Advisory board appointed by the Charles County Commissioners. Responsible for housing activities in the County.	Recommends housing policies and actions to the Charles County Commissioners. Reviews certain types of housing projects for meeting program criteria.
Charles County Department of Community Services	County Department with broad-based responsibilities including housing, community development, public transit, child care, aging, and community centers and recreation programs.	Staff to the Charles County Housing Commission. Administers housing programs including, rental assistance programs, homeownership programs, Community Development Block Grant program, and special initiatives such as Community Legacy Program and .
Charles County Department of Planning and Growth Management	County Department with broad-based responsibilities for land use, zoning, and planning, design and construction of facilities, roadways, water and waste systems.	Ensures consistency in implementing land use and facilities policies with Community Development Housing Plan policies. Reviews development plans for consistency with the County's adequate public facilities requirements.

Group, Organization	Overall Role	Specific Role with respect to the Community Development Housing Plan
<p>Non-governmental organizations. Many in the County including Catholic Charities, Christmas in April, Habitat for Humanity, Charles County Homeless and Emergency Shelter Committee, Homeless Advocacy Association, MD-National Capital Building Industry Association, Southern MD Association of Realtors, Southern Maryland Tri-County Community Action Committee, Waldorf Jaycees.</p>	<p>Each organization has its own special overall mission and responsibilities.</p>	<p>Administer and deliver housing programs and services for the County or State.</p> <p>Advocate for the people they serve.</p> <p>Undertake special initiatives to advocate for or directly assist certain groups.</p>
<p>Maryland State Agencies Department of Housing and Community Development (DHCD) Charles County Department of Social Services, a division of the State Department of Human Services.</p>	<p>DHCD was created in 1987 to strengthen communities, provide affordable housing for people of limited income, and promote Maryland's heritage and traditions.</p>	<p>Administer many state and federal housing programs that affect housing in Charles County including the Community Development Block Grant Program, and homelessness prevention programs.</p>

Chapter 1 Demographic and socioeconomic profile

Charles County has undergone significant demographic and socioeconomic changes since the 1994 Community Development Housing Plan. This section summarizes key observations from the 2000 Census and other data sources. Most of the tables referred to in this section are in Appendix B.

Population

Total population

- Charles County's population increased from 101,000 in 1990 to 120,500 in 2000, a 19 percent increase. As of July 2002 according to Census Bureau estimates the County's population was 129,040, a very rapid seven percent increase in just over two years. (Appendix B, Tables 1 and 1A).
- The 19 percent increase between 1990 and 2000 was approximately half the increase between 1980 and 1990 (39 percent) but was still larger than for the state as a whole (11 percent) and was one of the largest in the state (Appendix B, Table 1).

Households

- The average household size in Charles County in 2000 was 2.86. Household size in the County has been declining since 1980 consistent with state and national trends, but continues to be higher than for the state as a whole (2.61) (Appendix B, Tables 2 and 3).
- Charles County has a high percentage of family households (77.5 percent) exceeding the state (68 percent), the Washington area as a whole (70 percent) and Columbia (68 percent). (Appendix B, Table 4)

Population by race

- The racial make up of Charles County's population changed significantly between 1990 and 2000. The white population increased in number by 2,300 but declined as a share of total population from 79 percent to 69 percent. The non-white population (blacks and all other races) increased by 81 percent from 21,000 to 38,000. Blacks made up 26 percent of the population in 2000 compared to 18 percent in 1990 (Appendix B, Table 5).
- Charles County's changes in racial make up were greater than changes for the state as a whole or for the other Southern Maryland counties (Appendix B, Tables 5 and 5A-B).

Age

- Charles County had a slightly younger population in 2000 than the state as whole (31 percent of the population was 19 or under compared to 28 percent for the state). Seniors (65 and over) made up almost 8 percent of the population (9,400 persons) compared to 11 percent for the state. Charles County's senior population increased by over 2,800 persons (43 percent) from 1990 to 2000, faster than the rate of increase for the state and for Southern Maryland as a whole (Appendix B, Tables 6, 6A, and 6B).
- In 2000, there were 5,624 households in Charles County headed by a person aged 65 or older (Appendix B, Table 7).

Projections

- Charles County population is projected to increase by almost 63,000 (52 percent) by 2020, the fastest of any county in Maryland (Appendix B, Table 8).
- The number of households in Charles County is projected to increase by 26,432 by 2020, a 63 percent increase over 2000 (41,668). Household sizes are projected to continue to decline so that the rate of household increase will exceed the projected population increase (63 versus 52 percent) (Appendix B, Tables 8 and 8A).
- The County's senior population is projected to rise from 13,500 in 2000 to 37,747 in 2020. The number of seniors with a housing cost burden (paying more than 35 percent of their income for housing) could triple (Appendix B, Table 8B).

Housing

Housing Units and Unit Mix

- The total number of housing units in Charles County in 2000 was 43,903, a 27.3 percent increase from 1990 (Table 1-1 and Appendix B, Table 9).
- Single family detached homes made up 71 percent of the housing stock in 2000, a slight increase over the 1990 share. Single family attached units made up 18 percent of the housing stock a two percent increase over 1990 (2,400 units). The number of multi-family units increased by 677, and the multi-family share of the housing stock was nine percent, a slight fall over 1990. There was a slight decline in the number of other types of units (mobile homes and trailers), from 1,391 units in 1990 to 910 units in 2000 (Table 1-1 and Appendix B, Table 10).

Table 1-1 Housing Units and Unit Mix

Housing Units

Units	1980		1990		2000		Change 1980-1990		Change 1990-2000	
	Units	Percent	Units	Percent	Units	Percent	Number	Percent	Number	Percent
Occupied	21,378	94.1	32,950	95.5	41,668	94.9	11,572	54.1	8,718	26.5
Vacant	1,343	5.9	1,537	4.5	2,235	5.1	194	14.4	698	45.4
Total	22,721	100.0	34,487	100.0	43,903	100.0	11,766	51.8	9,416	27.3

Occupied Housing Units

Units	1980		1990		2000		Change 1980-1990		Change 1990-2000	
	Units	Percent	Units	Percent	Units	Percent	Number	Percent	Number	Percent
Owner	16,884	79.0	24,957	75.7	32,571	78.2	8,073	47.8	7,614	30.5
Renter	4,494	21.0	7,993	24.3	9,097	21.8	3,499	77.9	1,104	13.8
Total	21,378	100.0	32,950	100.0	41,668	100.0	11,572	54.1	8,718	26.5

Housing Unit Type, Charles County

Unit Type	1980		1990		2000		Change 1980-1990		Change 1990-2000	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
1-unit, detached	17,920	79	24,377	70.7	31,204	71.1	6,457	36.0	6,827	28.0
1-unit, attached	1,349	6	5,463	15.8	7,856	17.9	4,114	305.0	2,393	43.8
2 or more units	2,449	11	3,256	9.4	3,933	9.0	807	33.0	677	20.8
Mobile home, Trailer, Other	900	4	1,391	4.0	910	2.1	491	54.6	-481	-34.6
Total	22,618	100	34,487	100.0	43,903	100.0	11,869	52.5	9,416	27.3

Sources: 1980, 1990 and 2000 US Censuses

Between 1980 and 1990 Charles County's housing unit mix had changed quite dramatically (a 300 percent increase in the number of townhouses, for example). Between 1990 and 2000 the single family housing unit mix stabilized. The share of multi-family and other types of units continued its long term decline (15 percent in 1980, 13 percent in 1990, and 11 percent in 2000). The percentage of vacant units remained stable between 1990 and 2000 (Table 1-1 and Appendix B, Tables 9 and 10).

Tenure

- Owner occupancy in Charles County increased between 1990 and 2000 from 76 to 78 percent (32,571 of 41,668 occupied housing units), reversing the decline that took place between 1980 and 1990, when owner occupancy decreased from 79 to 76 percent (Appendix B, Table 9A).
- The rate of homeownership among blacks and other non-white races more than doubled between 1990 and 2000 from 3,831 units (15 percent of owner occupied units) to 8,252 units (25.3 percent of owner occupied units). The number of owner occupied units with a white householder increased to 24,319 in 2000 (an increase of 3,193 from 1990) but declined as a share of all owner-occupied units from 85 percent in 1990 to 75 percent in 2000 (Appendix B, Table 11).
- Renter occupancy in Charles County decreased from 24 percent in 1990 to 22 percent in 2000 (9,097 of 43,903 housing units), (Appendix B, Table 9A).
- Approximately 60 percent of rental units (5,500) are in single family units, and 35 percent (3,219) are in multi-family structures (three or more units in a structure), (not shown in a table).
- For rental units, white households occupied the majority of units (5,340 units, or 59 percent) but this was a large decline compared to 1990 when their share was 71 percent. The share of units rented by blacks and other races increased from 29 percent in 1990 to over 40 percent in 2000 (3,757 units) (Appendix B, Table 11A).

Housing Value

- The median home value in 2000 in Charles County was \$153,000, the eighth highest in the state (\$7,000 higher than the median value for the state as a whole, but \$16,000 less than the median value for the Washington region) (Appendix B, Table 12).

Housing Conditions

- The number of substandard housing units in Charles County is low: 353 units lacked complete kitchen facilities in 2000 (0.8 percent of the total housing stock), and 468 units lacked complete plumbing (1.1 percent of the housing stock). The number of substandard units has declined steadily from 1980 when over 1,360 units lacked complete kitchens (six percent of the housing stock) and over 1,650 units lacked complete plumbing (7.3 percent of the housing stock) (Appendix B, Table 13)².
- Since 1980, compared to the state as a whole, Charles County has reduced the number of substandard units as a share of the total housing stock. In 2000 the share of substandard units was similar to the state for kitchens (less than one percent) and slightly higher for plumbing, whereas in 1980 the share in Charles County was over six percent compared to less than 2.5 percent for the state as a whole (Appendix B, Table 13).

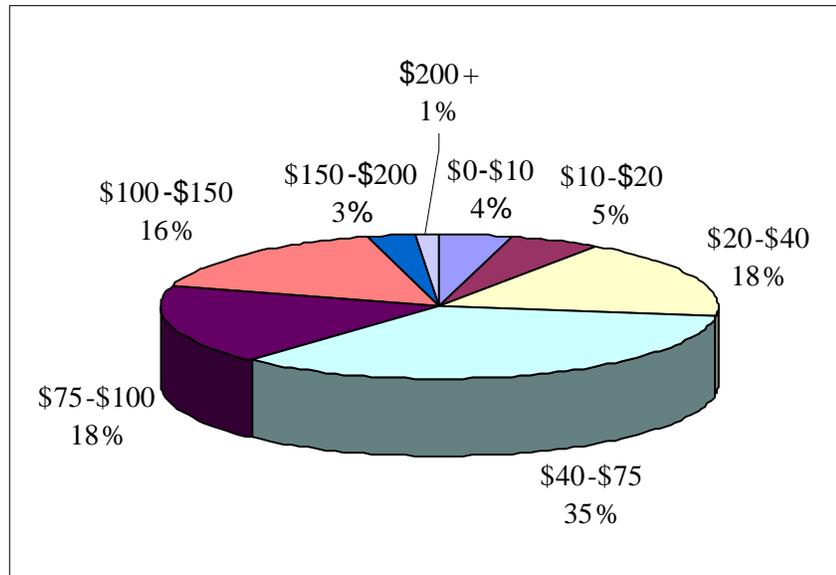
² The Department of Community Services and housing providers in the County that work with substandard housing such as Christmas in April believe that the number of substandard housing units is greater than shown in the Census data, based on factors not considered by the Census such as the condition of roof and other structural components. See also Chapter 4.

Household Income

- Charles County's median household income in 2000 was \$62,199, the fourth highest in the state³ (Appendix B, Table 12).

35 percent of Charles County households had annual household incomes between \$40,000 and \$75,000 (see Figure 1-1). 27 percent of households had income of less than \$40,000 per year.

Figure 1-1 *Percent Charles County Households by 1999 Household Income (\$ thousands)*



Source: US Bureau of the Census, 2000.

Expenditures on housing

A housing “burden” is often defined as spending more than 30 percent of household income on housing.

- In 2000, 15 percent of homeowners in Charles County (4,553 persons) spent over 35 percent of their household income on housing an increase of 1,837 persons or 67 percent over the share in 1990 (Appendix B, Table 14).
- In 2000, 27 percent of renters in Charles County (2,291 persons) spent over 35 percent of their household income on housing, an increase of 473 persons or 26 percent over the share in 1990. (compared to 16 percent for the state) (Appendix B, Table 14A).
- The share of persons in Charles County spending over 35 percent of their incomes on housing was similar to the share for the state as a whole (Appendix B, Tables 14, 14A, 14B and 14C).
- The median monthly rent in Charles County in 2000 was \$858, 24 percent higher than the state median (\$689), and the third highest in the State, exceeded only by Howard and Montgomery Counties. The percent increase over the median 1990 rent was 24 percent, slightly below the increase for the state as a whole (26 percent) (Appendix B, Table 12A).

³ These data appear to be at variance with household income data reported in the Charles County Property Values Study (1998).

Poverty

- 6,518 of Charles County residents in 2000 were under the poverty line (5.4 percent of the population compared to 5.0 percent in 1990). The number of persons below the poverty line increased by 30 percent (1,500 persons) compared to 1990, exceeding the percent change for the state (14 percent) and for Calvert and St. Mary's Counties (Appendix B, Tables 15 and 15 A-D)
- Of the 6,518 persons below the poverty line, 37 percent were children, (age 17 or below), and 12 percent were aged 65 or older. The shares for the state as a whole were 32 percent and 11 percent respectively (Appendix B, Tables 15E and 15F).

Employment

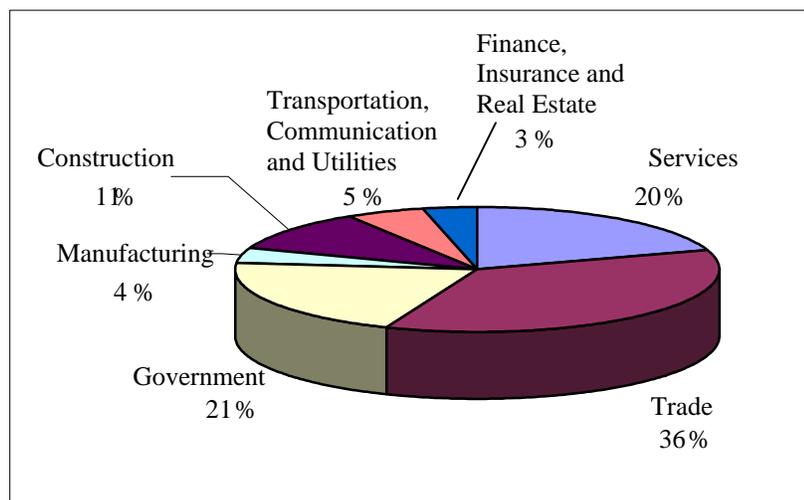
- Between 1995 and 2001, Charles County's labor force expanded by 4,600 or about 7.8 percent. The unemployment rate increased from 3.8 percent to 4.0 percent between 1995 and 1997, but declined to 2.5 percent by 1999. Unemployment has remained relatively stable since that time (Appendix B, Table 16).
- Southern Maryland's employment base is expanding at almost four times the rate of Maryland's as a whole. Between 1990 and 2000, the employment base in Southern Maryland increased by 44.6 percent, compared to 12.4 percent for the state. Southern Maryland's 26,675 new jobs represented more than 10 percent of the state's job growth. Charles County added 8,300 jobs, for a growth rate of 29.7 percent, though this was exceeded by both Calvert and St. Mary's Counties (Appendix B, Table 17).
- Charles County continues to play a relatively peripheral role in the regional economy. Charles County accounts for just 1.5 percent of Maryland's employment base, with a total of 36,000 jobs in 2000. Charles County has only 3.5 percent of the employment base in Washington's Maryland suburbs. All three southern Maryland counties together have a total of only 87,000 out of Maryland's 2.4 million employees (Appendix B, Table 17).

Trade

- Charles County's economy is heavily weighted toward retail trade. Overall, trade accounts for almost 36 percent of the county economy, with almost 13,000 jobs in this sector. Trade has also been one of the fastest growing sectors in the county's economy, with trade employment increasing by 61.2 percent between 1990 and 2000 (Appendix B, Table 18).

Figure 1-2 Charles County Employment by Sector, 2000

Source: Maryland Department of Labor, Randall Gross/Development Economics



The role of retail trade in Charles County is substantial, especially when compared with the regional and national economies, which are increasingly dominated by the service sector even as retail trade continues to expand. Services are the fourth largest economic sector in Charles County, after trade, construction, and government. More importantly, services are the *slowest growing* private sector in the county, with an increase in employment of 20.7 percent between 1990 and 2000. This is a slow growth rate compared with increases of 63.3 percent in transportation, communication and utilities; 57.0 percent in finance, insurance, and real estate; and even a 40.4 percent increase in manufacturing (which is declining nationally).

Wages

- While retail is a growth industry in Charles County, retail wages tend to be among the lowest of all industries. In addition, many retail jobs only provide part-time employment. The median weekly wage in Charles County was \$567 in 2001, according to the Maryland Department of Labor. Retail wages were among the lowest, at \$460. Government wages were among the highest, at \$794 (Appendix B, Table 19). The growth in low-wage retail jobs in the County means that local employees have less income to pay for housing.

Chapter 2 Charles County Housing Policies, 1990 to present

Charles County has grown rapidly since the 1980s and housing policy has been at the forefront of local debate and decision making since the early 1990s. This chapter summarizes and provides background for County housing policies, which have changed quite significantly during this period and have had a significant effect on housing supply, especially since the late 1990s.

Early 1990s

Concerns/Issues

- i. 1990 Comprehensive Plan identified the need to increase supply of affordable housing in the County.
- ii. A 1989 study by Tischler & Associates analyzed the net fiscal impacts of projected growth.

Policies

1989 Impact fees adopted, for schools only.

1991 Housing Commission established

1992 Comprehensive Zoning

- Density-based zoning regulations adopted, partly in response to issue of need for affordable housing
- MPDU program (voluntary)
- Accessory apartments permitted by right in certain residential zoning districts
- Promotion of mixed-use development and manufactured home parks through the Planned Development Zone process.
- Commercial apartments permitted in certain commercial zoning districts
- Manufactured homes permitted in most of the County

1992 Adequate Public Facilities requirements first adopted

1994 County adopts Community Development Housing Plan. Plan focus is on housing needs. Plan estimates that over 6,700 households had a housing problem for which they would need help over the 1990 to 2000 period. Priorities were identified as:

- Homeless
- Elderly
- Renters, focusing on units with cost burden below 30 percent.
- Non-elderly homeowners, rehabilitation assistance, first-time homeowner opportunities.

Table 2-1 summarizes the status of the 1994 plan's recommendations.

Mid 1990s

Policies were being reviewed at this time for the update of the County Comprehensive Plan.

Concerns/Issues

- i. Concern that too many townhouses were being built in the County. (1990 Census showed an increase in percent of townhouses in Charles County from six percent in 1980 to 16 percent in 1990). Housing mix in 1990 was 71 percent single-family detached, 16 percent single family attached, 9 percent apartment, 4 percent other.

- ii. Concerns that i) the increasing number of townhouses would “lower the value of all homes in the county”⁴, and ii) that the number of townhouses would not be a long-term asset to the County and be a net cost.
- iii. Concern about concentration of low-income housing in certain districts of the County (Darby Station, proposed for Westlake area, 1996).
- iv. Insufficient housing for senior citizens. “The County doesn’t do a good job in providing affordable housing, but it does a better job with affordable housing than it does with senior housing.”⁵. The Housing Commission’s October 1997 Senior Housing Report to the County Commissioners recommended:
 - Encouraging and fostering development of senior housing.
 - Removing barriers to successful senior-friendly housing communities.
- v. “Leapfrog development”. Development occurring in scattered form into previously undeveloped areas; expensive to provide public services resulting in negative fiscal impacts.

Policies

Two County-funded housing programs adopted:

- 1996. Housing rehabilitation loan program, 1996 (\$60,000)
- Settlement Expense Loan Program, 1997. Award-winning program assists first time homebuyers with settlement expenses. Through 2001 43 families were assisted.

Housing Commission continues to pursue policies in 1994 Community Development Housing Plan:

- Low-cost housing lottery
- Study of neighborhoods with substandard housing
- Mandatory Moderately Priced Dwelling Unit program (two commission members resigned when program was not adopted)

Home Work Review program (funding to help residents fix up substandard homes). Studied by a separate commissioner-appointed committee.

1997 Comprehensive Plan

- Defines desired future housing mix of 70 percent single family detached, 20 percent townhouse, and 10 percent apartment.
- Makes minor reduction in size of development district (deleting Marbury), leaving district at around 53,000 acres
- Creates “deferred development district” of approximately 5,000 acres south of Pomomkey.
- Identifies housing strategies to:
 - Promote homeownership by low and moderate income purchasers:
 - Enforce the livability code to remove substandard conditions in rental housing
 - Rehabilitate and upgrade existing substandard housing
 - Reduce costs for affordable housing projects (e.g. satellite sewage treatment facilities)
 - Meet increasing needs of the elderly population.

Table 2-1 summarizes the status of the Comprehensive plans’ recommendations.

Zoning Text Amendment 46-25 (1997)

- Limits zoning districts where townhouses are permitted (e.g. in RL district)

⁴ Commissioner Daniel Mayer, Maryland Independent 1/24/96

⁵ Commissioner Daniel Mayer, Maryland Independent, December 15, 1995

- Reduces proportions of townhouses permitted in cluster subdivisions.
- Revises appearance standards: number of units in a building; increased minimum lot size for townhouses; minimum gross living space of 1,200 square feet

Late 1990s

Concerns/Issues

- Falling property values. “The performance of the housing market in Charles County has not reflected the (Washington) area’s broad-based economic expansion following the 1990 to 1991 recession”⁶. Two studies completed in July 1998⁷ and a public forum held July 13 and 14 1998 with data provided by State Department of Assessments and Taxation, “Property Values Continue Slow Growth”.
- Continued concern over leapfrog development.
- High renter levels, need to increase homeownership rate. Housing Commission “Comments Relating to the Conversion of Rental Properties” given to the County Commissioners September 28, 1998. Suggests strategies to increase rate of homeownership.

Policies

County awarded \$1 million in an On-Behalf-Of (OBO) bond allocation. 1997. County program structured to facilitate conversion of rental properties in Hot Spot communities to homeownership.

Townhouse restrictions. 1999. March 1999 (Ordinance 99-16, Zoning Regulations 297-212.3.02.200)

- Restricts zoning districts where townhouses and multi-family dwellings are permitted (to floating zones)
- Limits number of units per building (average of four, no more than six).
- Minimum “finished livable space” of 1,650 square feet.
- 60 percent of exterior to be brick or stone.

Housing unit allocation system adopted as part of Adequate Public Facilities requirements. July, 1999.

- School capacity must be available at elementary, middle, and high schools before final subdivision plats can be approved. Allocations issued based on school capacity versus enrollment analysis.

Minimum housing size and appearance standards. May 2000 (Zoning Regulations 297-212.3.01.100)

- Specifies minimum “finished livable space” of 1,650 square feet for single family detached homes (does not apply to certain units approved by the Housing Commission or in rural areas).
- Exterior appearance requirements. . (does not apply to units approved by the Housing Commission, rural areas)

Comprehensive Zoning, effective January 1, 2001

- Downzoned large areas in the central and western parts of the development district; creating a low density (1 du/10 acres) Rural Conservation Deferred Development District RC(D).

⁶ Charles County Property Values Study (Steven Fuller, 1998).

⁷ Charles County Property Values Study (Steven Fuller, 1998); Findings on Residential Property Values, Thomas Point Associates, July 1998.

Current

Concerns/Issues

- i. Affordable housing. “It’s time to talk about affordable housing” (Maryland Independent Opinion March 15, 2002). “County Can’t Ignore Rental Housing Shortage” (Maryland Independent Opinion July 24, 2002). Housing Maryland, a 50-member coalition, recommends a three point housing agenda for elected officials: reinvest in affordable rental housing for families; reclaim blighted areas to promote smart growth and stabilize communities; and reform state housing and community development policies.
- ii. Lack of “workforce” housing in Charles County. Charles County Board of Education considered developing housing for new teachers. Articles on workforce housing in Economic Development Forum, newsletter of the Charles County Economic Development Commission.
- iii. Very tight apartment unit market. High rental rates.
- iv. Poverty. Working poor struggling to make ends meet (Maryland Independent March 29, 2002).
- v. Shortage of housing and services for the homeless.
- vi. Regional housing shortage and forecast of future housing deficits compared to future job growth (Future Housing Supply and Demand Analysis for the Greater Washington Area, 2002⁸).
- vii. Budget cuts at state level. Special concern about school construction funding.
- viii. Health and stability of certain neighborhoods.
- ix. Ability of Homeowners’ Associations to address the problems that occur in operating and maintaining common ownership communities: 2000 Homeowners’ Association Task Force, Report to the County Commissioners, December 2001; St. Charles Task Force Final Report, March 2002.

Policies

Excise tax on new housing, effective July 1, 2003. Converted the prior impact fee (\$5,000 for single family unit, \$3908 for multi-family unit paid at building permit stage by builder) to a \$9,700 (single family) \$9,200 (townhouse) and \$7,000 (multi-family) excise tax that is added to home cost (amortized over 10 years by buyer).

Community Legacy Plan for Heathcote Road, 2003. Recommends ways to stabilize and improve this neighborhood in Smallwood Village. Study to be a model for future efforts.

⁸ By McClain, John, and Fuller, Stephen S. Center for Regional Analysis, School of Public Policy, George Mason University, prepared for the District of Columbia Building Industry, Maryland-National Capital Building Industry Association, Northern Virginia Building Association.

**Table 2-1 Summary and status of recommended policies and actions in 1994
Community Development Housing Plan and 1997 Comprehensive Plan**

Policy/Action	Status	Comments, Implications for 2003 Plan Update
1994 Community Development Housing Plan		
Expand the range of powers available to the Housing Commission under its enabling legislation (Annotated Code Article 44A). For example, create a public housing authority: direct development of affordable housing; participation in limited partnerships to promote public-private ventures.	Not done	See Chapter 5.
Create a community land trust	Community land trust created but focused on conservation, not housing.	
Create a local housing trust fund	Not done	See Chapter 5.
Provide money management courses	Courses exist. Housing Commission sponsored a first time homebuyers workshop in 2000.	See Chapter 5.
Encourage housing cooperatives as an alternative approach to homeownership	Not done.	Cooperatives have not become a widespread housing tool. Potomac Heights in Indian Head is a cooperative but has a unique history.
Promote the use of accessory apartments	Has occurred, but in general program promotion as a whole has been limited	Difficult to know how widespread knowledge is about this type of unit. See Chapter 5.
Institute marginal-cost water and sewer hook up fees instead of average cost fees	Not done.	Envisioned as a way of reducing costs since higher density housing has lower marginal cost. Discussed in Chapter 5.
Encourage establishment of planned manufactured home developments with satellite sewer systems in village centers	Not done	Envisioned as a way of encouraging affordable housing in rural areas. County sewer policy would not permit this.
Operation of satellite sewage system by non-profit	Not done	County sewer policy would not permit this.
Offer builders the option of rehabilitating substandard housing in lieu of providing MPDUs	Not done	MPDU program adopted as a voluntary program. MPDUs are discussed in Chapter 5 of this Plan.
Institute a fast track permitting process for affordable housing	Not done	Difficult recommendation to implement while providing due diligence in review and being fair to other projects being reviewed.
1997 Comprehensive Plan		
Use land use to foster patterns that reduce housing costs	Not done	Housing costs have increased greatly because of housing policies. See Chapter 3.
Amend regulations to encourage housing mix goal of 70 percent single-family detached, 20 percent single-family attached, and 10 percent multi-family units.	Amendments have discouraged townhouses and apartments.	Trend since 1990 has been very different: 82 percent single-family detached, 17 percent single-family attached, and 1 percent multi-family units (see Chapter 4)

Policy/Action	Status	Comments, Implications for 2003 Plan Update
1997 Comprehensive Plan, cont.		
Develop mechanisms to provide financing for homeownership by low-and moderate income purchasers	On-Behalf-Of (OBO) bond allocation, 1997 Settlement Expense Loan Program, 1997	Issue discussed throughout this Plan.
Encourage development of manufactured home parks and subdivisions	Not done.	
Enforce the livability code to remove substandard conditions.	Passive enforcement only.	See Chapters 4 and 5 of this Plan.
Rehabilitate and upgrade existing housing		Discussed in Chapters 1, 4 and 5.
Complete physical housing survey	Done	Records destroyed in 2003 fire.
Assistance to residents wanting indoor plumbing.	County Housing rehabilitation loan program, 1996	
Tax credits for rental property owners who install indoor plumbing.	Not done	See Chapter 5.
Encourage efforts of volunteer groups	Has occurred to some extent such as through use of CDBG funds.	
County program to help disadvantaged residents fix up homes.	Not done.	In 1996 a Home for Work Committee (name changed from Home Work Review Committee) worked on this concept, but no program was adopted.
Promote state programs in designated revitalization areas	Heathcote Road Community Legacy Plan, 2003. SELP targets Priority Funding Areas.	
Facilitate establishment of a permanent homeless men's shelter	Fuller House opened in 1998.	Discussed in Chapter 5.
Consider increase in marriage license fees to provide funds for shelters for battered spouses.	Not done.	
Reduce costs (county fees and development standards) to encourage affordable housing.	Not done on a systematic basis. County Commissioners have waived fees on a case by case basis.	Discussed in Chapters 3,4 and 5.
Examine use of several housing funds	Not done.	County housing funds are limited to SELP and housing rehabilitation loan fund. Funding is discussed in Chapter 5.
Meet housing needs of senior population.	Several projects have been developed and are planned (see Chapter 4).	Needs of seniors are discussed throughout this Plan.

Chapter 3 Housing Market

This chapter provides an overview of housing market context and recent trends affecting housing demand and needs within Charles County. A summary of national and regional market factors is followed by a description of key Charles County trends in housing demand and supply.

National and Regional Market Context

A combination of pent-up demand, under-supply, and record low interest rates has resulted in a strong, sustained market for all types of housing throughout the Washington Metropolitan Area. Low interest rates initially helped make housing affordable for purchase by a larger share of the population, generating demand from first-time homebuyers. However, prices have adjusted to higher levels in response to demand and have escalated beyond the reach of many middle-income families throughout the region. Key national and regional factors affecting housing demand in Charles County include the following:

- **National Economic Expansion.** Economic growth, including significant real growth in incomes during the 1990s, helped spur demand for housing. While economic growth has slowed, current economic conditions have not stifled the housing market through 2003 thanks to record low interest rates.
- **Demographic Bubble.** Much of the income growth since the early 1990s has been driven by “baby boomers” who have reached their prime earning years. Higher incomes among this large demographic segment have helped spur demand for higher-priced housing.
- **Northern Virginia Escalations.** Charles County has been impacted by rapidly-increasing home prices in northern Virginia, which have forced middle-income homebuyers to look outside of that area for new housing product. Charles County is within commuting distance from northern Virginia jobs at the Pentagon, Crystal City, and elsewhere.
- **District of Columbia Turnaround.** After years of stagnation, a turnaround in the D.C. housing market since 1998/99 has resulted in less affordable housing in the District and price pressures in surrounding counties, including Prince George’s and Charles Counties. For the first time since the 1960s, the population of the District is increasing and substantial new housing is under construction.
- **Regional Economic Stability.** The events of September 11th 2001 have resulted in an expanded military and security response to terrorism. Charles County benefits from the military-related jobs at the Naval Surface Warfare Center at Indian Head and at the Patuxent River Naval Air Station. The concentration of military agencies and government personnel in the Washington area has helped shield Charles County and the region from the effects of the recession that began in 2000. The Washington area is the only major metropolitan region in the country to create more jobs than it lost in the first quarter of 2003. The region’s unemployment rate is also consistently the lowest among major metropolitan areas.
- **Development Restrictions in Neighboring Counties.** Prince George’s and Calvert Counties have imposed restrictions and even occasional moratoria on development. This has had the effect of driving up prices and demand in surrounding jurisdictions including Charles County.

Housing Demand Indicators

Charles County's housing market has tightened since 1999. As in the District of Columbia and other parts of the Washington area, Charles County's housing prices stagnated during the early and mid-1990s. However, a booming economy and falling interest rates helped push demand and prices up regionally and locally toward the end of the decade. A limited supply of apartments impacted on rental rates, which also began rising rapidly by 2000. Charles County was among the last suburban areas in the Washington Region to see the effects of this reversal in the housing market.

Housing Sales Trends

Almost 11,300 homes have been sold in Charles County since 1997, for an average of about 1,900 per year (Table 3-1). Charles County's housing market was relatively soft during the early 1990s. However, home sales increased an average of 17.6 percent per year since 1997. With the exception of 2000, the number of homes sold in the County has increased each year. Since 2001, sales volumes have increased rapidly.

Table 3-1 Total Home Sales Trends Charles County, 1997-2002

Year	Total	Change From Prior Year	
		Number	Percent
1997	1,286		
1998	1,535	249	19.4%
1999	1,761	226	14.7%
2000	1,677	(84)	-4.8%
2001	2,192	515	30.7%
2002	2,808	616	28.1%
Total	11,259		

Sources: Metropolitan Regional Information System, Inc., Randall Gross / Development Economics

After several years of stagnating property values, median home sales prices began increasing rapidly in 2000. Between 1997 and 1999, median home prices increased by 1.4 percent or about 0.5 percent per year to \$141,911. Since 1999, Charles County home prices increased by almost \$25,000 or 17.2 percent, representing an increase of 5.7 percent per year. Between 1997 to 2002, Charles County's average home price increased from \$139,900 to \$166,316, an increase of 18.9 percent.

Table 3-2 Median Home Sales Price Trends, Charles County, 1997-2002

Year	Sales Price	Change From Prior Year	
		Amount	Percent
1997	\$139,900		
1998	\$143,945	\$4,045	2.9%
1999	\$141,911	\$(2,034)	-1.4%
2000	\$149,000	\$7,089	5.0%
2001	\$155,000	\$6,000	4.0%
2002	\$166,316	\$11,316	7.3%

Sources: MRIS and Randall Gross/Development Economics

As of 2003, sellers in Charles County are getting their asking prices, thanks to increased demand for homes on the market. In 1997, sellers received an average of 96.3 percent of their asking price. By 2002, they were receiving 99.3 percent of asking price. Demand for housing in Charles County has also reduced the amount of time units stay on the market. In 1997, houses in Charles County stayed

an average of 174 days on the market. That time had declined to 87 days by 2001 and to 41 days by 2002.

Homebuyer Profile

According to real estate brokers, about 55 percent of homebuyers in Charles County are transfers or relocations from another part of the region or country. This group includes military transfers, which account for 25 percent of all buyers in the county. Other relocations, such as from Northern Virginia or Prince George's County, account for 30 percent of buyers. About 45 percent of buyers originate in Charles County. These include move-ups and move-downs (30 percent of buyers), as well as first-time homebuyers (15 percent).

Renter Profile

In general, rental markets like Charles County's are driven by young workers; especially young single working women and dual-income couples without children. Many renters are recent graduates and those transferred or otherwise relocating to the area for their job. Some renters do not have the resources to purchase a house; while others are "empty nesters," divorcees, and seniors who rent apartments to avoid the upkeep or maintenance expense of a house.

Charles County Sub-Markets

Based on interviews with real estate brokers and the Metropolitan Regional Information System, Charles County has six housing sub-markets, each with a somewhat different clientele for housing:

- **Waldorf / White Plains.** The county's most urbanized sub-market attracts large numbers of Washington D.C. / Prince George's County commuters, military employees, and first-time buyers looking for housing that is affordable on a working wage.
- **La Plata.** The La Plata market attracts local Charles County move-ups as well as northern Virginia / Patuxent River Naval Air Station commuters.
- **Indian Head-Bryans Road.** The Indian Head area is very attractive for local move-ups and military-related employees.
- **Western District (Nanjemoy).** Nanjemoy is attractive for those seeking the character of one of the most rural portions of Charles County.
- **Dentsville-Hughesville.** The good reputation of schools in this area attracts local and Prince George's County move-ups to higher-end, executive housing.
- **Cobb Island.** The market in Cobb Island is split between those seeking small, low-end, very affordable cottage units and those seeking high-priced waterfront property within commuting distance of Washington.

Rents and Occupancy

Rental occupancy rates are very high in Charles County. A vacancy rate of five percent is considered healthy in a housing market, providing moving opportunities and choice for renters. Rental occupancy rates stood at 95 percent in 2000. By 2002, rental occupancy was approaching 100 percent in large parts of the County.

St. Charles, an 8,300 acre planned community in Waldorf, has 2,500 rental units, including market rate, Section 8 (family subsidized), and Section 236 (senior subsidized) units. Occupancy among these units was 100 percent in 2002, according to St. Charles representatives. U.S. Department of

Housing and Urban Development (HUD) Fair Market Rents⁹ are \$748 per month for studios and \$851 for 1-bedroom apartments in Charles County. Market-rate 2-bedroom rents typically range from \$975 to \$1,200 per month.

Housing Supply

Development approvals (subdivisions and site plans)

Between 1990 and 2002, 13,016 residential units were approved for development in Charles County in subdivisions or site plans. These approvals are the “pipeline” for future development since a building permit cannot be issued until a lot or unit is approved for development. Not all of the units approved for development actually get built. Some lots remain undeveloped for years.

Of the 13,016 residential approvals, 11,527 (88.6 percent) were single-family detached units. There were 165 single-family development projects with over 10 units, plus 321 other single-family units approved during the 13-year period. 1,489 townhouses were approved (11.4 percent) in 15 projects, mostly in the first half of the 1990s.

The peak year for development approvals was 1994 when over 4,000 units for both single- and multi-family were approved. This number included approximately 1,700 units in Fairway Village. Development approvals have fallen dramatically since 1994. Less than 500 units were approved in 2001 and in 2002.

Large single-family for-sale projects under development include Fairway Village, with 1,383 single-family detached units and 290 townhouses; Kingsview (939 single-family detached); Timberlake (595 units); Charles Crossing (373 single-family detached and 78 townhouses); Wexford Village (425 units), and Woods at Deer Creek (423 units).

Fairway Village includes one of the only rental communities currently being planned in the County. The 200-unit project was delayed for several years due to infrastructure issues relating to a pump station. Rents two-bedroom rents are expected to be \$1,200 per month.

Building permits

Between 1990 and 2002 Charles County issued building permits for approximately 13,890 housing units (1,068) a year (Table 3-3)¹⁰. Between 1998 and 2002 Charles County permitted an average of 1,238 single-family housing units each year (1,020 detached plus 219 attached). During this same five year period a total of only 60 new multi-family units, one percent of the total were permitted¹¹.

Charles County lags behind other jurisdictions in multi-family permits. Multi-family units accounted for 23 percent of all permits issued in the metropolitan Washington region between 1999 and 2002. Other counties’ multi-family shares were Prince George’s County nine percent, Anne Arundel County 17 percent, and Calvert County two percent.

⁹ Fair Market Rents (FMRs) determine the eligibility of rental housing units for the Section 8 Housing Assistance Payments program. Section 8 Rental Certificate program participants cannot rent units whose rents exceed the FMRs.

¹⁰ The total including the Towns of Indian Head and La Plata was approximately 14,577 or 1,121 a year.

¹¹ Victoria Senior Apartments, a Jaycees project at Western Parkway and St. Patrick’s Drive.

The most recent rental project completed in the county was Lakeside, a 56-unit subsidized senior apartment project opened in 1997. The most recent market-rate multi-family project was Village Lake, a 100-unit complex completed in 1995. Village Lake was 100 percent occupied in late 2002.

Table 3-3 Charles County Building Permits by Type 1990 to 2002

	Single Family Detached	Townhouse	Multi-family	Mobile Home	Total
1990	491	182	8	*	681
1991	490	235	0	*	725
1992	549	238	122	*	909
1993	757	205	0	*	962
1994	772	185	14	*	971
1995	717	278	0	6	1,001
1996	735	354	54	7	1,150
1997	825	299	108	7	1,239
1998	1,030	424	0	0	1,454
1999	1,023	131	0	0	1,154
2000	916	121	0	0	1,037
2001	1,017	274	0	0	1,291
2002	1,112	144	60	0	1,316
Total 1990 to 2002	10,434	3,070	366	20	13,890
Average	803	236	28		1,068
Total 1998 to 2002	5,098	1,094	60		6,252
Average	1,020	219	2.4		1,250

Notes

Data are for Charles County excluding La Plata and Indian Head. * Data not available for these years.

Source: Charles County Department of Planning and Growth Management

Constraints on the delivery of affordable housing

A number of factors have helped reduce growth in residential supply, added pressure to housing prices, and impacted on the ability of the private sector to deliver affordable housing to the Charles County market.

- **Reduction in amount of land available for medium and high density development.** Changes in zoning including large downzonings in the development district and restrictions on the zoning districts where townhouses and multi-family dwellings are permitted.
- **School allocation policies.** Under the County’s growth management Adequate Public Facility regulations, most developments must get school allocations before they can be recorded and apply for building permits (see Chapter 2). The school allocation policies make it difficult for a multi-family project to obtain a sufficient number of allocations to move forward.
- **Escalating Lot Prices.** As Charles County becomes more urbanized, and as land closer to Washington becomes more expensive, land prices in Charles County are naturally increasing. However, land prices have escalated more rapidly than expected due to rapid economic growth in the region, and the reductions in the amount of land available for development. Lot prices now typically range from \$55,000 (for 5,000 square feet in Waldorf) to \$75,000 (for 3 acres in Dentsville).
- **Cost of construction.** Between 2000 and 2002, the typical cost of construction in Charles County increased from \$80 to \$110 per square foot, an increase of 37.5 percent, for some local builders. Charles County’s average permitted construction cost (for building only) increased

from \$114,538 in 1999 to \$146,777 in 2002. Charles County's housing construction costs were traditionally lower than the regional average. In 1999, for example, Charles County's permitted construction costs were 88 percent of the Metro Washington average. However, within a few short years, the county's construction costs have surpassed the regional average, at 101 percent of Metro Washington building costs in 2002. The increase in construction cost has a direct effect on the cost of housing for homebuyers in Charles County (see Table 3-4). Table 3-4 shows the development costs for a prototypical single-family home in Charles County, incorporated into a proforma for illustrative purposes:

- **Minimum size and architectural requirements.** Minimum size and architectural requirements (see Chapter 2) have further increased construction costs.
- **Drought and Percolation Issues.** Drought and the resulting percolation test issues during 2001 and 2002 caused the County to impose a moratorium on development on well and septic. Slowing growth in the supply of housing during a time of increasing demand contributed to higher price escalations.
- **Impact Fees, Excise Tax.** The County's impact fees (and the new excise tax, effective July 1, 2003) are applied as a straight \$10,000 excise tax on a per-unit basis, rather than on a per-square-foot basis. As a result, builders of smaller houses are impacted disproportionately on the development cost compared to larger homes, creating a disincentive for smaller, more affordable housing.
- **Soft Cost Escalation.** Soft costs have increased: site plans have doubled in price (from \$300 to \$600) for engineers, the number and cost of permits has increased (e.g., \$65 for fire). Some developers state that the approvals process has slowed, resulting in higher interest and other holding costs for projects.
- **Conservative Building Practices.** There is a lack of regional and national developer participation in residential construction in Charles County. Larger builders can introduce competition into the marketplace, create new products, and bring economies of scale, all of which can help reduce building costs. In addition, there are a number of large tracts of land that are closely held by individual property owners.

Survey of Businesses

In Winter 2003 a survey of businesses in Charles County was conducted for this Plan to get input from businesses on issues regarding the supply of housing in Charles County. Surveys were sent via e-mail to members of the Charles County Chamber of Commerce¹². Forty questionnaires were returned.

The survey found that about one in three were impacted negatively by the lack of affordable housing in the County. About 55 percent of these businesses had difficulty with recruitment and/or retention of workers due to the lack of affordable housing. About 15 percent attributed problems with tardiness to the fact that workers travel so far from their homes to work in Charles County. About ten percent found that their employees' job satisfaction levels were impacted by the lack of affordable housing choices in the County.

In terms of housing need, the most serious deficiency was found to be the lack of available, high-quality rental housing, whether affordable or not, listed by 27 percent of all employers. This issue was followed closely by the overall lack of affordable housing, listed by 23 percent of all employers.

¹² Publicly available addresses only.

An equal share (12 percent) defined the County’s housing issues in terms of either the lack of executive housing, lack of attractive for-sale housing, poor location of housing, or lack of public transportation access to housing. About 44 percent of those surveyed felt that the County’s housing policies were having a negative impact on economic development. The businesses that responded paid starting wages of \$25,009 and average wages of \$33,190. Thus, the businesses were representative of the county’s wage employers. The results of the survey are described more fully in Appendix C.

Housing Market Summary

In summary, Charles County’s housing market supply has tightened in recent years due to a combination of factors. In concert with regional economic growth and falling interest rates, this tighter supply helped reverse the downward trend in local for-sale property values. Prices have been escalating in Charles County, especially since 2000. At the same time, there is a constrained supply of rental housing to meet growing demand among those who cannot, or choose not, to purchase a house in the County.

Table 3-4 Single-Family Development Proforma

<u>Pre-Development Costs</u>	
Lot	\$ 60,000
Water/Sewer Hook Up Fee	\$ 6,234
<i>Impact Fee (now excise tax)</i>	<i>\$ 9,700 (to homebuyer)</i>
Other permits, fees	<u>\$ 2,000</u>
Sub-Total	\$ 77,934
<u>Construction Costs</u>	
<i>Minimum SF Requirement: 1,650 Square Feet</i>	
<i>Minimum Cost / SF: \$90</i>	
Building Cost	\$148,500
Marketing & Soft Costs @ 10%	\$ 14,850
Builder Profit @ 7%	<u>\$ 10,395</u>
Sub-Total	\$173,745
Minimum Cost	\$251,679

Source: Randall Gross / Development Economics, ERM

Chapter 4 Needs Assessment

This chapter describes the existing and future housing needs in Charles County. The number of housing units required to meet future household growth is determined by tenure and type based on State household projections. Need is also examined in terms of income, age, disability, unit type and product and housing programs, and other factors.

Key projections are shown on Table 4-1. The key numbers discussed in the following sections are highlighted in bold in the table.

Number of Housing Units

By 2020 Charles County's population is projected to increase from its 2000 total of 120,546 to 183,300. The number of households is projected to increase by approximately 26,400 to 68,100 (Table 4-1). To house this population the County will need an additional 28,270 units, or 1,414 units per year, by 2020. This number of units assumes a vacancy rate of 5.1 percent (the rate in 2000) and replacement of units that are demolished or otherwise eliminated (through fires, natural disasters, etc) at an average annual rate of 30 per year.

This amount of housing development is greater than that experienced by the County between 1980 and 1990 (average of 1,186 units per year), or between 1990 and 2000 (average of 940 units per year). Based on building permits issued between 2000 and 2002, however, the pace of development is increasing, with an average of 1,286 permits issued per year for those three years.

Tenure: Owner and Renter Units

In 2000 approximately 78 percent of Charles County's occupied housing units were owner-occupied and 22 percent were renter occupied (Table 4-1). Approximately 5,771 units for rental-occupancy would be needed by 2020 in order to remain at the 2000 rate of rental occupancy (22 percent). If, however, in order to help ease the current tight renter market, the 1990 owner/renter ratio (76 percent owner and 24 percent renter) is applied as a goal for future housing units, approximately 7,383 units available for rent will be needed by 2020, or 28 percent of the new occupied units to be added between 2000 and 2020

According to local realtors, the County has been losing rental single family homes to the for-sale market. As noted in Chapter 1, approximately 60 percent of all the rental units in Charles County are in single family homes (attached and detached). In some single family neighborhoods the County has encouraged this trend because the conversion of owner occupied homes to rental was having a destabilizing effect.

Table 4-1 Housing Needs Projections Summary

Housing Units							
	2000	2010	2020	Change 2000 to 2010		Change 2000 to 2020	
				Total	Annual	Total	Annual
Population	120,546	147,400	183,300				
Households	41,668	53,250	68,100				
Housing Units							
Occupied	41,668	53,250	68,100				
Vacant	2,235	2,854	3,650				
Total	43,903	55,966	71,573	12,063		27,670	
Replacement (for loss, demolitions)		300	600				
Total including replacement				12,363	1,236	28,270	1,414
Vacancy rate	5.1%	5.1%	5.1%				
Tenure							
Housing Units	2000		2020	Goal for 2020	Change 2000 to 2020		
Occupied	41,668		68,100		26,432		
Owner occupied	32,571	78%	51,620	76%	19,049	72%	
Renter occupied	9,097	22%	16,480	24%	7,383	28%	
Housing Units by Type							
	2000		2020 Goal		Change 2000 to 2020		Permit Trend 1998 to 2002
Housing Units by Type		Percent		Percent			
Single-family detached	31,204	71%	50,101	70%	19,095	68%	82%
Single-family attached	7,856	18%	14,315	20%	6,657	24%	17%
Multi-family plus mobile home etc.	4,843	11%	7,157	10%	2,512	9%	1%
Replacement					600		
Total	43,903	100%	71,573	100%	28,270	100%	100%
Households in Income Bracket Projections							
Income bracket	2000		2020		Change	\$34,999 or less	Monthly housing cost at 30% of income
\$14,999 or less (monthly hsg cos	2,761	7%	4,512	Assumes same percent distribution as in 2000	1,751		\$ 188
\$15,000 to \$24,999	2,536	6%	4,144		1,608		\$ 500
\$25,000 to \$34,999	3,832	9%	6,262		2,430	5,788	\$ 750
\$35,000 to \$49,999	6,278	15%	10,259		3,981		\$ 1,063
Sub Total under \$49,999	15,407	37%	25,176		9,769		
\$50,000 and over	26,268		42,924		16,656		
Total households in County	41,675		68,100		26,425		

Source: ERM

Housing Unit Type

In 2000 Charles County's housing unit mix was 71 percent single-family detached, 18 percent single family attached and 11 percent multi-family (including mobile home and other unit types) (Table 4-1).

Charles County's Comprehensive Plan sets a future housing mix goal of 70 percent single-family detached, 20 percent single-family attached, and 10 percent multi-family units. To achieve this goal the County will need a total of 50,801 single-family detached units, or the addition of 19,095 such units, by 2020. These additional units would represent 68 percent of permitted development through 2020, as compared with 82 percent of actual permitted development between 1998 and 2002.

Again, based on the goals set by the Comprehensive Plan, there will be a need for a total of 14,315 single-family attached units by 2020, with the addition of 6,789 units or 24 percent of the permitted stock. Between 1998 and 2002, single-family attached units represented 17 percent of permitted units. An additional 2,644 multi-family units will be needed by 2020 (approximately 130 per year) to achieve the Comprehensive Plan goal. Multi-family housing stock would need to be nine percent of the County's residential building permits through 2020 compared to the one percent actually permitted between 1998 and 2002.

Growth in the supply of multi-family housing stock is essential to allow working households to "move up" from subsidized to market-rate rental or for-sale units. Without growth in supply, there will be increased pressure placed on the lowest income households leading to increased homelessness and other crises.

Thus, in order to meet the Comprehensive Plan's housing unit mix goal, Charles County will need to reduce the share of permits issued for single-family detached housing and increase the share of permits for attached and multi-family housing.

Workforce housing

Charles County needs housing that is affordable to people earning a working wage. As of 2002, there was a very limited supply of housing affordable to the working person in Charles County earning the median wage of \$567 (\$29,500 per year). Few if any rental housing units were available. As of 2003, apartment occupancy levels had increased to almost 100 percent in the more desirable areas of St. Charles and in other large rental complexes. New apartments that are currently being planned require a qualifying income of close to \$50,000, which is substantially higher than the starting wage in the county for teachers (around \$30,000 a year), police officers (around \$36,400 a year) and other County employees, single young professionals, and seniors¹³.

For-sale housing available to someone earning the median working wage included only 12 units listed in the county's MRIS in 2002. Of these 12 units, two were located on Cobb Island, far from job opportunities; three were located in Potomac Heights, a cooperative development near Indian Head, three were located in Nanjemoy and La Plata but needed major repairs (and are thus more difficult to finance); and four were in the Meadows or on Heathcote Road, both of which have security issues, especially for single women. Very little housing targeted at lower price ranges is

¹³ Two actual examples help illustrate the problem. Educational Solutions is a company that coordinates before and after school programs for the Department of Community Services at elementary schools, Judy Centers and other on-site child care in the County. The company hired four area coordinators in the \$50,000 to \$60,000 salary range to help administer the contract. None were able to find housing in Charles County.

Charles County's Department of Social Services (DSS); a division of the State Department of Human Services hired a staff person at a salary in the mid \$30,000 range to help applicants locate affordable housing. The person relocated from Georgia but could not find housing the person could afford after searching for two months.

being produced. Brawners Estates in Bryans Road (111 units) developed by the Southern Maryland Tri-County Community Action Committee is the only recent project.

Thus, both rental and for-sale housing choices were extremely limited even for those workers, especially young single women earning 100 percent or less of the County's median wage.

Condominiums

There are very few condominium projects in Charles County. Condominiums can be attractive and affordable for several groups including young professionals, retirees, empty nesters and move-downs, and others. Condominiums attract homebuyers in all qualifying income levels, including the highest income groups, since they are a housing choice based on lifestyle. Condominiums tend to attract fewer families, resulting in lower impacts on schools compared to single family homes. To meet the County's needs, a portion of multi-family units should be built as condominiums, priced in a range that is affordable to individuals earning 55 percent to 65 percent of median household income, equivalent to a maximum purchase price of \$136,000 to \$168,600.

Moderately-Priced Single-Family Units

As with apartments and condominiums, there is demand from professionals and other working people in the county that cannot be met because of the lack of supply within an appropriate price range. Charles County needs single-family housing targeted to those earning 80 percent to 100 percent of median household income, the largest segment of the County's household base. Approximately 26,000 additional detached and attached single family homes will be needed by 2020 (see Table 4-1). At least 3,400 (170 per year) of these units should be targeted to households in this 80 to 100 percent of median household income range. Affordable home prices for this group would range from \$208,000 to \$260,000.

Product Diversity

Charles County needs greater housing product diversity to serve its increasingly diverse population. Diversity is lacking currently in part because of the County's minimum size and architectural appearance policies but also because of the lack of participation by outside developers. New housing tends to conform to the 2- and 3-story, single-family detached Colonial "box" with 1,650 square feet or larger.

Physically substandard housing

As noted in Chapter 1, Charles County has reduced the number of substandard units as a share of the total housing stock from six percent of the housing stock in 1980 to around one percent in 2000. According to the 2000 Census, 353 units lacked complete kitchen facilities in 2000 and 468 units lacked complete plumbing. Approximately 60 percent of the occupied units lacking complete kitchen facilities were rental units.

The 1994 Community Development Housing Plan recommended a physical survey of housing units to identify pockets of substandard housing. In 1996 Department of Community Services completed this survey. The County conducted physical surveys of 343 units in nine parts of the County. Of the 343, 261 (76 percent) were recommended for moderate or substantial rehabilitation and 74 were recommended for demolition or removal. The largest cluster of substandard units was in the Charlotte Hall area (census tract 851300)¹⁴.

Housing providers that work with substandard housing in the County such as Christmas in April and the Southern Maryland Tri-County Community Action Committee believe that the number of

¹⁴ Unfortunately the physical records of this survey were destroyed in a fire at the Department of Community Services building in Port Tobacco in 2003.

substandard housing units is greater than shown in the Census data. Christmas in April, for example, states it has rehabilitated an average of about 25 units since 1990.

Charles County has made significant progress in reducing the number substandard units in the County. Current needs are to identify and rehabilitate the remaining substandard units and ensure that existing above standard homes do not deteriorate into substandard condition.

Livability Code

A livability code sets minimum standards to be met for housing. Livability codes cover property maintenance standards for light, heat, and sanitation, safety matters such as fire protection, as well as maintenance issues such as tall grass and weeds, trash/debris accumulation, and overgrown shrubbery/trees.

The 1997 County Comprehensive Plan included enforcement of the livability code as a housing implementation strategy to remove substandard conditions in rental housing. Charles County has adopted a Minimum Livability Code for rental housing, based on Maryland law¹⁵, that covers health and safety issues as well as property maintenance. The Department of Community Services enforces the Livability Code, but enforcement is passive; if a tenant makes a complaint¹⁶ the Department inspects the property and, if warranted, sends a letter to the property owner, who must then make repairs before renting to a new tenant. Thus, the current enforcement procedures do not provide relief for existing tenants or neighbors. There is no active enforcement program whereby the County inspects rental properties for Code violations on a routine basis. The County also has no rental unit registration or license requirement. Between January 2002 and June 2003, the County conducted five inspections for complaints under the livability code.

Charles County also has a Nuisance Abatement Board¹⁷. The Board hears complaints about both rental and owner occupied housing for items not covered by the livability code, typically public nuisance issues such as tall grass and weeds, trash/debris accumulation, and overgrown shrubbery/trees. Vacant housing in foreclosure often generates nuisance complaints. The Board must receive three written complaints about a property from property owners in the election district where the property is located after which point the Board schedules a public hearing on the situation. If the Board determines a nuisance exists, the property owner is given time to make repairs or else the work can be contracted out at the owner's expense.

The Town of La Plata has adopted the 2000 International BOCA code for all housing, both rental and owner occupied. In 2003 the Town began to require yearly inspections and registration license for all residential rental units. For major code violations, rental license can be withheld until repairs are completed. In May 2003, the Town of Indian Head adopted a registration requirement and inspection program for all rental properties.

Substandard conditions in Charles County generally occur in scattered site rental units rather than in managed rental projects. The major concerns are units with health and safety issues such as no heat, water or sewer, electric service, and leaking roofs. Nuisance maintenance issues such as tall grass and weeds, trash/debris accumulation, and overgrown shrubbery/trees, etc. also occur.

Active enforcement of the livability code by the Department of Community Services has been recommended in the past and discussed by the County Commissioners but has not been adopted. The chief concern has been that the benefits of active enforcement would be offset by loss of rental units through conversion to for sale units by landlords unwilling to comply with the Code. In

¹⁵ Title 05 Maryland Department of Housing and Community Development, Subtitle 02 Building and Material Codes Chapter 03 Minimum Livability Code.

¹⁶ The Department can only act on a tenant complaint.

¹⁷ Staff support from the Department of Planning and Growth Management.

addition, active enforcement would require a registration program so that the County would know where rental properties were located.

Affordability

Housing is “affordable” if people can afford to purchase or rent it based on their income. To meet the need for affordable housing, there needs to be housing that is affordable to different income levels.

The U.S. Department of Housing and Urban Development (HUD) sets a standard of affordability based on the requirements of financial institutions and other housing lenders that housing costs should be no more than 30 percent of annual household income. This standard is widely used to determine housing affordability by income level. Affordability for different income levels in Charles County is presented in Table 4-2 and discussed below.

Table 4-2 *Definition of Housing Affordability for Different Income Levels in Charles County*

Annual Household Income, 1999	Share of County Median Household Income	Number of households in the County in this income group	Affordability	
			Value	Monthly Cost at 30% of income
\$18,660	30%	3,900 (30% or less)	\$73,800	\$466
\$31,100	50%	3,100 (30% to 50%)	\$123,000	\$777
\$37,319	60%	4,200 (60% to 60%)	\$147,600	\$933
\$49,759	80%	4,100 (60% to 80%)	\$196,800	\$1,244
\$59,089	95%	4,400 (80% to 95%)	\$233,700	\$1,477
\$62,199	100%		\$246,000	\$1,555
Median Value/Monthly Cost			\$153,000	\$1,018
Median Rent/Value			\$135,700	\$858

Sources: U.S. Bureau of the Census, 2000 & Randall Gross / Development Economics

Charles County’s median household income in 1999, as reported by the 2000 Census, was \$62,199. Based on the 30 percent of income affordability standard, a household at this median income could afford a monthly housing cost of \$1,555 ($\$62,199/12 \times 0.3$), which would enable this household to afford a house with a for sale value up to \$246,000, higher than the median for-sale house or rent value.

The median for-sale housing value in Charles County in 2000 was \$153,000. Based on interest rates in 2002 the monthly cost for this housing was \$1,018. The median value of rental property was \$135,700 yielding an affordable median monthly housing cost of \$858¹⁸.

For households earning a maximum income of \$18,660 (30 percent or less of median household income), the maximum affordable housing cost was \$73,800 or about \$466 per month. There were about 3,900 households within this income cohort in 2000, almost 10 percent of the total households in the County (41,668). Households earning a maximum of \$31,100 (50 percent of median household income) could afford about \$777 in monthly housing costs, or a maximum housing value of \$123,000.

¹⁸ The value of rental units is determined based on the present value of principal payments over the life of a mortgage loan. Median rents are substituted for mortgage costs in the formula. A down-payment of 5% and annual interest rate of 6.5% is assumed for the purposes of calculating value on a 30-year loan.

A single working person in Charles County earning the 2001 median weekly wage of \$567 can afford up to \$680 per month in housing costs, based on 30 percent of income affordability standard.

As described in Chapter 1, approximately 4,553 owner-occupied households (15 percent) were spending more than 35 percent of their incomes on housing (Table 14 Appendix B). Almost 27 percent (2,291) of Charles County's renter-occupied households were "at risk," meaning they were spending more than 35 percent of their household incomes on housing costs (Table 14A Appendix B).

Projected Affordable Housing Need

To assess the future need for low- and moderate-income housing, households were projected by income range based on the household projections and Census 2000 income data (please refer back to Table 4-1). Low- and moderate-income households were considered to be those with up to 80 percent of the County's median household income, or \$50,000 per year.

In 2000 there were 15,407 households with incomes of less than \$50,000 in Charles County (Table 4-1, numbers in this discussion are highlighted in the table). These low- and moderate-income households represented 37 percent of the total household base. By 2020, there will be 25,177 households with incomes below \$50,000 (in 2000 \$), assuming the share of households within each income cohort remains the same. Thus, there will be an increase of 9,769 low- and moderate-income households within Charles County even if the *share* of these households out of the total household base *remains exactly the same*. Of these additional households, about 5,788 or 60 percent would have incomes of less than \$35,000 per year with an affordability cost no greater than \$750 or less per month.

Special populations

Low income

Low-income households are considered to be those with income up to \$35,000 per year as of 2000, or a little over 50 percent of the County's 2000 median household income (\$62,199).

Charles County is expected to add 5,788 households with incomes lower than \$35,000 (2000 \$) by 2020 (Table 4-1). This includes 1,751 households with incomes below \$15,000 (who can afford \$188 in median monthly housing costs), 1,608 households with incomes between \$15,000 and \$25,000 (who can afford median housing costs of \$500 per month), and 2,340 households with incomes between \$25,000 and \$35,000 (who can afford median housing costs of \$750 per month).

The main rental assistance program is the Section 8 program¹⁹. Charles County has 705 Section 8 housing vouchers. As of March 2003, there were 2,200 applications representing 7,079 individuals on the waiting list for vouchers. Between 2000 and 2002, approximately eight percent of the county's vouchers went unused because voucher holders were unable to find available rental units in the County. Based on the household projections for the lowest income cohorts, and assuming that most households with incomes below \$25,000 require Section 8 housing, the number of applications for Section 8 vouchers is likely to grow by at least 150 per year.

¹⁹ The Section 8 Existing Certificate/Voucher Program is a federal program that provides monthly rent assistance for low income families. The family pays approximately 30 percent of their income toward the rent with the balance of the monthly rent, up to a fair market rent, paid by the Section 8 assistance.

Seniors

In 2000, 4,776 Charles County households were headed by a person 65 years of age or older. Of these households, 972 (20.4%) were in rental housing and 3,804 (79.6%) were in owner-occupied housing (Table 4-3).

In 2000 a total of almost 1,081 senior households in Charles County were “at risk” because they were spending more than 35 percent of their incomes on housing (Table 4-3 and Figure 4-1). Of the 1,081 households, 513 were in rental housing and 568 were owners. Senior renters are much more at risk than the County population as a whole; 53 percent of senior renter households were at risk compared to 28 percent of all County households. Among owner-occupied households, about 15 percent of senior-headed households were at risk. This number is high, given that the elderly should be more likely to have paid off their mortgages.

Table 4-3 Senior Housing Assistance Need And Cost Burden Analysis, Charles County, 2000

Households by Type And Cost Burden	Seniors (Age 65+)	Other Ages	All Ages
Renter Households			
Total Households ¹	972	7,206	8,178
% with Housing Risk	53%	25%	28%
# cost burden>30%	639	2,470	3,109
# cost burden>35%	513	1,778	2,291
Owner Households			
Total Households ¹	3,804	25,753	29,557
% with Hsg Risk	15%	15%	15%
% cost burden>30%	707	6,288	6,995
% cost burden>35%	568	3,985	4,553

¹Households includes only those households for which data have been computed
Sources: U.S. Bureau of the Census. 2000 and Randall Gross/Development Economics

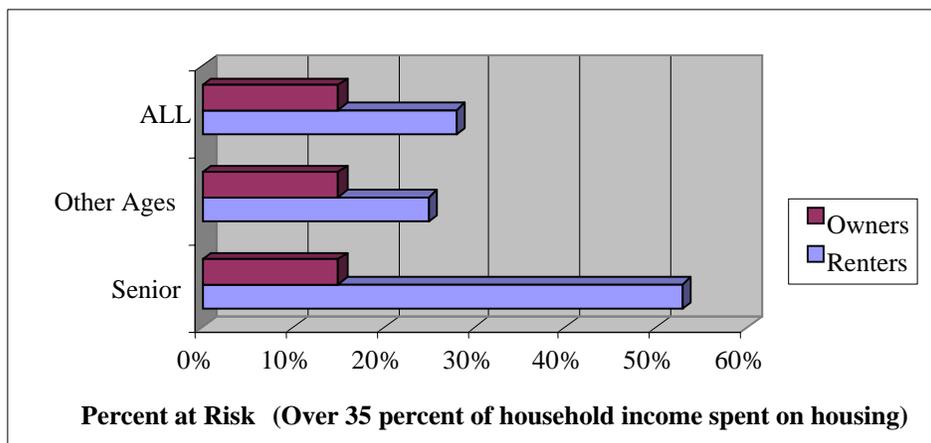


Figure 4-1 Comparison of Cost Burden Among Populations with High Housing Costs

The number of seniors at risk in the County is bound to increase given the limited supply of affordable housing, escalating rents, and rapidly increasing senior population. Without an increase in the number of affordable housing units, the number of seniors at risk could double to over 2,000 by 2020.

Charles County's senior population is projected to rise from 13,500 in 2000 to 37,747 in 2020, but the supply of housing to accommodate this market segment is limited. Senior projects in Charles County total approximately 635 units, of which 136 are subsidized:

	<u>Units</u>	
- St. Charles Apartments	110	
- *La Plata Manor	100	Also available to disabled persons.
- Maples in La Plata,	75	Development also includes 18 cottages for ownership
- Charles Landing South	60	
- Brookside Apartments	56	
- Lakeside	54	
- *Jaycees Senior Housing	36 ²⁰	
- Indian Head Senior Housing	36	
- Victoria Apartments	<u>108</u>	
Total	635	

* = Subsidized

New projects are planned or under development are:

- Southwinds, 100 independent-living apartment units for lease at market rates, south side of Billingsley Road near St. Patricks Drive, scheduled to open in 2004.
- Victoria Senior Apartments, a 60-unit development by the Waldorf Jaycees adjacent to the existing Victoria Apartments, scheduled for completion in 2003.
- Charles Retreat off McDaniel Road in Waldorf, 448 units (164 single family units, 184 villa townhouses, and 100 carriage homes (condominium).
- An active adult community in the Gleneagles Neighborhood of Fairway Village, with as many as 400 units.
- Senior rental project on Ell Lane in Waldorf. Joint venture between Waldorf Jaycees and a housing developer.

The Department of Community Services Area Agency on Aging Area Plan (FY2001 to 2003) identified specific needs as affordable independent senior apartments and assisted living housing for low to moderate income seniors.

By improving access to affordable housing for the approximately 1,100 senior households who are paying more than 35 percent of their income for housing, the County can relieve some of this population's cost burden. However, given the senior population growth rate, there will be a need for at least another 1,000 affordable housing units available to seniors by 2020, just to avoid growth in the population at highest risk.

Assisted Living

There were 222 assisted living beds in the County, as of 2003 according to the Department of Community Services. Of the 17 facilities identified in the Area Agency on Aging Area Plan (FY2001 to 2003), 15 were facilities with 16 beds or less. More beds are needed.

²⁰ This complex near US 301 and MD 228 in Waldorf has been 100 percent occupied since 1980 and has a two to three year waiting list. Turnover is very low. Rents are set at 30 percent of income, which is restricted to \$30,000 per year. Average rents are \$400 (\$100 after subsidy, plus \$35 utility allowance). Some residents, however, cannot pay anything.

Homeless

Catholic Charities operates the 52-bed Angel's Watch Shelter in Hughesville. This is a regional shelter serving women and children. Fuller House, located on Rockefeller Court in Waldorf, provides transitional services, meals, and housing for men. The facility has 16 beds.

Reliable data on homeless populations are always difficult to gather due to the very nature of the problem. Indications are, however, that the needs of the homeless are growing in Charles County:

- Estimates of the County's homeless population range from 1,000 to 1,200, according to persons working with this population. The number of bed nights at local shelters increased by 29 percent between 1994 and 2001, from 17,334 to 22,418, according to the State Department of Human Resources. This growth occurred during a period when housing costs were fairly stable. Thus, homelessness is likely to have increased further since the escalation in housing prices and rents began in 2000.
- Between July 2002 and June 2003, 279 people lived at Angel's Watch. During this period, 648 women and children were turned away, according to Catholic Charities.
- In 2002 the waiting list at the men's shelter was six months and the shelter constantly had to turn people away²¹.
- The Southern Maryland Tri-County Community Action Committee reports that many families are doubled up to avoid becoming homeless. Persons working with the homeless report that people are sleeping in woods and behind Wal-Mart in Waldorf, and that approximately 500 families are living in "inappropriate" temporary housing, including hotels.
- A shelter in western Charles County has been recommended²².

Based on the growth rate in shelter bednights and the projected growth in population, it is likely that the need for homeless beds in Charles County will increase by almost five percent per year or about 1,080 bed-nights. Assuming 100 percent occupancy, Charles County will need at least 60 to 100 additional shelter beds by 2020.

Transitional Housing

Transitional housing is needed for persons including single mothers with young children, young pregnant women, young people coming out of foster care, and families who have lost their economic footing and need to transition into permanent housing. Like housing for the disabled, there are temporary resources available for those in need of transitional housing, but there are few permanent housing opportunities.

Catholic Charities opened St. Sebastian Town Homes in October 2002 in the Country Club neighborhood near Pinefield. The project comprises refurbished 12 townhouses and was the first transitional housing in Southern Maryland for families. Occupants may stay up to three years, paying less than market rents giving them time to transition into market rate housing. The project serves the tri-county area but the first 42 residents, 24 of them children, all came from Charles County.

More transitional housing is needed in a variety of settings including single room occupancies, group homes, and family units. The Southern Maryland Tri-County Community Action Committee has

²¹ Director of Robert J. Fuller Transitional House, June 2002.

²² Letter to Maryland Independent, from Neighbors Eager to Serve, June 2002.

been seeking to develop 15 units of transitional housing on former federally owned land on Radio Station Road in La Plata.

Disabled and Developmentally Disabled

The trend in provision of housing for the disabled and developmentally disabled has been towards community integration. In Charles County, the Melwood and Spring Dell organizations purchase homes and remodel them for use by groups of generally three to five disabled individuals. Together these organizations currently operate around 20 dwelling units.

The key issue identified by the organizations that provide this resource is the lack of affordable housing that they can purchase and retrofit for disabled use. The organizations now have to raise more money to purchase housing now than they did a few years ago.

Special issues: homeowner association capabilities, fair housing, public transportation

Homeowner association capabilities

Homeowners' Associations (HOAs) in Charles County are tasked with a variety of responsibilities for managing common ownership communities. These vary from community to community but frequently include enforcing covenants, managing and maintaining stormwater management facilities, roads, common open space, trash, snow removal, and collecting the fees and dues to cover the costs.

In 2000 the County Commissioners created a Homeowners' Association Task Force to report and make recommendations on the Ability of Homeowners' Associations to address the problems that occur in operating and maintaining these communities. The report was completed in 2001²³. A broad-ranging report on St. Charles, produced around the same time, also addressed some of the same issues²⁴. Both reports made a number of recommendations to address the problems experienced by HOAs, including improving HOA's ability to raise revenue, transferring ownership of some HOA-owned facilities to Charles County, education for HOA officers, and providing for streamlined methods of dispute resolution and enforcement of covenants.

Fair Housing

The federal 1968 Fair Housing Act and Article 49B of Maryland's Annotated Code prohibits discrimination in housing. Equal opportunity is related to the supply and condition of housing, but focuses on:

- Housing discrimination based on race, color, disability sexual orientation, or source of income;
- Lending discrimination; and
- Predatory lending practices.

The Maryland Commission on Human Relations 2000 Report on Fair Housing in Maryland found that housing discrimination occurs at all income levels. The report cited testimony that in Charles County racial minorities find difficulties in purchasing a home regardless of income level. A 2003 report by the National Fair Housing Alliance states that the federal government recorded over 25,000

²³ Homeowners' Association Task Force, Report to the County Commissioners, December 2001.

²⁴ St. Charles Task Force Final Report, March 2002.

fair housing complaints nationwide in 2002. A HUD study²⁵ found that discrimination in housing nationwide fell more than 25 percent since 1989.

Housing providers and other persons interviewed for Plan did not report incidences of discrimination in Charles County or report discrimination to be common or widespread.

Public transportation

While not a direct housing gap in and of itself, the role of public transportation in affordable housing needs to be mentioned. Reliable public transportation allows people to live in more affordable locations and commute to work. A 2002 survey of residents of Heathcote Road, a low- and moderate income community in St. Charles, found that the availability of public transportation ranked very high among the reasons respondents liked living in that neighborhood²⁶.

Charles County's public transportation system (VanGO) has expanded greatly in the past few years. Nevertheless, persons working with people in transitional housing cite lack of convenient public transportation as one of the reasons people have difficulty holding a job and being able to transition into permanent housing.

Housing and housing assistance programs and providers

A large number of governmental and nongovernmental groups and organizations provide housing, and housing programs and services to Charles County residents. These groups and organizations are summarized in Table 4-4. Needs, constraints, and gaps are included in the table. The Charles County Directory of Human Services produced by the United Way of Charles County provides contact information for each of these groups.

²⁵ Discrimination in Metropolitan Housing Markets: Phase 1, 2002.

²⁶ Heathcote Road Community Legacy Plan, 2003.

Table 4-4 Groups and Organizations Providing Housing, and Housing Programs and Services

Agency, Group	Program Description and Detail	Needs, Constraints, Gaps
Government		
<i>Charles County Housing Commission</i>	Advisory board appointed by the Charles County Commissioners. Responsible for housing activities in the County. Reviews certain types of housing projects for meeting program criteria.	The Commission’s annual budget, including county funded programs (Settlement Expense Loan Program and Rehabilitation Loan Program) is very limited, averaging around \$140,000 per year.
<i>Department of Community Services</i>		
Division of Housing & Community Development (HCD)		
Rental Assistance programs administered by Division of Housing & Community Development (HCD)	Federal Housing Choice Voucher Program provides Section 8 subsidy vouchers to families based on family income Charles County has 705 Section 8 housing vouchers. As of March 2003, there were 2,200 applications representing 7,079 individuals on the waiting list for vouchers.	Between 2000 and 2002, approximately eight percent of the county’s vouchers went unused because voucher holders were unable to find available rental units in the county. Part of the problem relates to the unwillingness of area landlords to take the vouchers, but there is also a shortage of available housing for rent. Vouchers expire unused if no housing is available.
	Housing for People with HIV/AIDS (HOPWA) program: Federal program operated with vouchers, similar to Section 8.	Waiting list
	Rental Assistance Program (RAP). State funded emergency short-term rental subsidies for low-income families who are homeless or have an emergency housing need.	
Housing Rehabilitation	HCD administers a County housing rehabilitation loan program. Average funding is around \$60,000 per year. Funds are frequently used as “bridge loans” to help an applicant access other state funds. Funds have also been used for rehabilitation in a target area in Nanjemoy.	This program provides a flexible funding source for different kinds of housing assistance and should be expanded.
	The HCDD administers several Special Loan Programs offered by the Maryland Department of Housing and Community Development (DHCD). Programs provide low-interest or deferred loans for rehabilitation of single-family homes for low- and moderate-income families. Maryland Housing Rehabilitation Loan Program. Indoor Plumbing Program. Special Targeted Area Rehabilitation Program (STAR).	HCDD has insufficient loan processing staff to process all the requests to participate in these programs
Home-Ownership	In coordination with the State’s Maryland Mortgage Program the Housing and Community Development Division offers below-market rate loans that enable first-time home purchases.	Charles County has used its annual On-Behalf-Of (OBO) bond allocation in support of this program. OBO (\$3.4 million in FY 2003) with criteria recommended by the Housing Commission.
	Settlement Expense Loan Program (SELP), a loan program funded by Charles County assists first time homebuyers with settlement expenses up to \$4,000. Through 2001 43 families were assisted. HCDD coordinates SELP in concert with the State’s Maryland Mortgage Program and DSELP – the Downpayment and Settlement Expense Loan Program.	Successful, award winning program.

Agency, Group	Program Description and Detail	Needs, Constraints, Gaps
Housing Development	<p>Community Development Block Grants. Federal program. Charles County has used funds to assist non-profit and community-based organizations fund housing development and other types of community development projects. CDBG-funded housing projects have been:</p> <ul style="list-style-type: none"> - Affordable Housing Units (FY 1992): \$370,000 for water and sewer service in support of the Patuxent Woods Community Revitalization. A total of about 10 units were developed in a joint venture between SMTCCAC and Habitat for Humanity. - Affordable Housing (FY 1992): \$50,000 provided in support of the Town of Indian Head for an affordable housing project. - Senior Housing Feasibility & Planning Grant (FY 1992): \$10,000 planning grant to the Melwood organization. - Affordable Housing Subdivision (FY 1994): \$436,000 for land acquisition and water service in support of development of 111 affordable housing (for-sale) units in the Brawners Estates project in Bryans Road by the SMTCCAC. - Men's Homeless Shelter (FY 1998): \$300,000 for the Fuller House men's homeless shelter operated by the Homeless Advocacy Association. <p>Other facilities that have received assistance through the CDBG program include the former Waldorf School renovation and reuse project, Brawners Estates Community Head Start Center, Child and Family Therapy Center in La Plata, and the former Bel Alton High School Multi-Service Center.</p>	No CDBG funds have been used for special needs housing since 1998 and none for development of affordable housing since FY 1992.
<i>Department of Planning and Growth Management</i>	<p>Moderately Priced Dwelling Unit program (MPDU).</p> <p>Intended to include some housing affordable to persons with moderate incomes in market rate developments.</p> <p>Program that would have required MPDUs was recommended but the County finally adopted it as a voluntary program in 1992 (Code §297-240 to §297-243).</p> <p>The program offers a housing density bonus for providing MPDUs. Covenants and agreements with the County Commissioners must be made.</p> <p>Only one project, Acton Villas, used this program providing a total of 16 MPDUs, and even this project did not meet all the program criteria; the MPDU agreement was modified to allow changes to the distribution requirements of the units through the project.</p>	The density bonus is insufficient as an incentive. For example a 20 acre project with a base density of 3.0 units per acre could receive a 22 percent density bonus increasing the theoretical yield from 60 units to 73.2 units (20 x 3= 60, 20 x 3.66 = 73.2). For this bonus the project must provide 15 percent MPDUs or 11 units (73.2 x 0.15 = 10.9), providing only two additional market rate units (13.2 – 11 = 2.2). These two units would be unlikely compensate the developer for the cost of the MPDUs plus the cost of the necessary covenants and agreements.
<i>Charles County Department of Social Services (DSS); a division of the State Department of Human Services (DHS)</i>	<p>Homelessness Prevention Funds.</p> <p>DHS's Office of Transitional Services provides maximum emergency housing grants of \$500 towards one-month's rent for families. DSS typically receives a total of \$11,200 per year, enough to assist a total of up to 20 or 30 families for one month.</p> <p>Department of Social Services administers the application procedures and monitors the grant on behalf of DHS.</p> <p>For eligibility, families must have been provided with an eviction notice and must have job, social security, or other funding source available to pay the 2nd month's rent. The family must justify the emergency use of the funds.</p> <p>DSS cannot pay for hotels or other temporary lodging, nor can the agency provide assistance if the applicant has poor credit, or lacks a rental history.</p>	<p>The tight rental market limits the availability of housing for rent.</p> <p>\$500 cannot fully cover the typical market rent, even if housing can be found. Even if approved, the applicant must still pay a security deposit for certain apartments.</p> <p>Homeless advocates report that even people with jobs have difficulty accessing grants due to regulatory red-tape associated with the application processing.</p> <p>DSS's services typically involve referrals to other services or non-profit homeless shelters.</p>

Agency, Group	Program Description and Detail	Needs, Constraints, Gaps
<i>Charles County Department of Social Services, cont.</i>	<p>Emergency Food & Shelter Program.</p> <p>These funds are used to provide emergency mortgage or rent assistance. The funding usually covers one month's rent or mortgage for about 10 to 20 people in a given year, countywide.. The grant is available to either individuals or families.</p> <p>Federal Emergency Management Administration's (FEMA) program. Charles County received \$14,000 from FEMA in 2002 but only expects to receive a maximum of \$10,000 in 2003 due to budget shortfalls.</p> <p>As with Homelessness Prevention Funds (see above), the applicant must show proof of eviction or foreclosure, proof of income, and ability to pay the following month's rent.</p>	
	<p>Supportive Housing Program.</p> <p>DSS works with applicants (who must show proof of eviction) to help them locate affordable housing. The agency works to eliminate barriers and also advocates to secure housing from landlords.</p> <p>Staff services for this program are funded directly through a HUD grant.</p> <p>Staff members scan newspaper ads and contact landlords, typically through American Rental Management Company, which owns almost all apartment complexes in Waldorf and St. Charles.</p> <p>DSS typically sees 75 individual or family applicants per week. Of these, 30 receive some form of assistance, including housing referrals, or assistance with prescription medication, filing for child support, or other services. The agency monitors recipients for a period of three months.</p>	<p>Constraints for this program include finding apartments for individuals with poor credit or previous occupancy in Section 8 housing, and finding any available affordable housing in Charles County</p>
<i>Non-Governmental groups and organizations</i>		
Development and Rehabilitation		
<i>Private residential developers builders, organizations, and advocates</i>	<p>The private for-profit sector develops and builds nearly all the housing in Charles County. American Community Properties Trust as manager of St. Charles properties is a key private housing provider in the County.</p>	
<i>Southern Maryland Tri- County Community Action Committee, Inc. (SMTCCAC)</i>	<p>SMTCCAC is a Hughesville-based housing and community development non-profit organization serving Charles, Calvert, and St. Mary's Counties since 1995. SMTCCAC's funding is from a range of federal, state, and local sources. SMTCCAC is also Charles County's most active non-profit affordable housing renovator and developer.</p> <p>SMTCCAC Services include:</p> <ul style="list-style-type: none"> - Weatherization services - Rental management for 20 units in La Plata and four in Huhgesville. - Assistance with the SELP program - Loan packaging - Counseling - Other "soft" programs include Head Start, Consumer Assistance, Maryland Energy Assistance, SMART, Senior Companion, Landlord-Tenant Relations, and Friendly Health Services. <p>SMTCCAC developed Brawners Estates a 111-unit single-family subdivision in Bryans Road, almost fully built as of 2003.</p>	

Agency, Group	Program Description and Detail	Needs, Constraints, Gaps
<p><i>Christmas in April</i> A national volunteer organization involved in the renovation and rehabilitation of low-income, elderly and disabled, owner-occupied housing.</p>	<p>Christmas in April conducts a National Rebuilding Day on the last Saturday in April, when the local Christmas in April group attracts over 1,000 volunteers to help rehab housing in Charles County. The organization serves residents within an income range of up to \$16,000, or up to \$30,000 including medical expenses. Funding is provided by churches, regional organizations, the United Way, and corporate sponsors.</p> <p>Christmas in April has rehabilitated 300 units in Charles County since 1990, for an average of about 25 units per year. As of 2003, the organization is working on 40 homes at present.</p>	<p>Funding normally constrains the organization to 20 to 30 homes per year.</p>
<p><i>Habitat for Humanity</i> A national, non-profit, faith-based ministry engaged in the development of affordable housing.</p>	<p>Habitat for Humanity in Southern Maryland, Inc. is based in Waldorf and serves the Tri-County area. Habitat “works with volunteers, churches, donors, businesses, and local government to build decent and affordable housing for families in need.” An important goal of the organization is to instill a sense of pride in homeownership through sweat equity and the family’s personal involvement in construction.</p> <p>Housing payments are determined on a sliding scale based on the family’s ability to pay and loans range from 12 to 30 years.</p> <p>Habitat has been involved in developing housing in Patuxent Woods, Nanjemoy, and other communities in Charles County.</p>	
Emergency & Transitional Housing		
<p><i>Associated Catholic Charities (ACS)</i> A national, non-profit organization providing a variety of housing and other services to the needy. Catholic Charities has offices in La Plata. Funding is from grants and donations.</p>	<p>Services include:</p> <ul style="list-style-type: none"> - Five-day food pantry - Counseling and assistance with employment, advocacy, budgeting, information, and referrals. - Assistance to families with rent / mortgage payments and helping Section 8 voucher holders locate housing find a place to live. - Assistance to homeless families (as many as 60) find temporary shelter and to families impacted by disasters (like the tornado) - Maintains a networking database on housing. - Works with the Department of Social Services on administering and monitoring welfare programs <p>Catholic Charities also operates the regional 52-bed Angel’s Watch Shelter in Hughesville. This shelter serves women and children.</p>	<p>ACS staff report a spike in the number of families seeking affordable housing as rents continue to increase and supply diminishes.</p> <p>Angel’s Watch has a small budget (\$42,000). Staff report turning away an average of 10 families per day, and more during crisis periods. Between July 2002 and June 2003, 279 people lived at Angel’s Watch. During this period, 648 women and children were turned away.</p> <p>Staff cite a need for transitional housing throughout the County in a variety of settings including single room occupancies, group homes, and family units. According to staff, only 26 percent of their clients able to locate permanent housing in the County.</p>
<p><i>Charles County Children’s Aid Society</i></p>	<p>The Childrens Aid Society provides emergency assistance with medication, food, and clothing for children. CAS occasionally also pays for one night emergency stays in area hotels. On rare occasions, the group has provided minimal rent assistance - \$100, but only for families with children.</p>	
<p><i>Robert J. Fuller Transitional House Homeless Advocacy Association</i></p>	<p>Fuller House, located on Rockefeller Court in Waldorf, provides transitional services, meals, and housing for men only. The facility has 16 beds.</p>	<p>As of 2002 the waiting list was six months.</p>

Agency, Group	Program Description and Detail	Needs, Constraints, Gaps
<i>Charles County Homeless and Emergency Shelter Committee</i>	This committee is comprised of some 20 agencies that coordinate to serve the homeless population. Members include the Charles County Commissioners, the Charles County Department of Social Services, and Lifestyles. The Director of the local United Way chairs the Committee. The committee meets quarterly.	
<i>Charles County Salvation Army</i>	The Salvation Army provides a variety of charitable services including emergency housing placement in local motels. Other assistance includes emergency food and medical services, as well as a utility program offering energy assistance from January through April, for income-qualified households.	
<i>Lifestyles</i>	Established in 1999 and based in La Plata, Lifestyles, like Catholic Charities, provides “affordable, accessible services, activities, and goods to support and encourage families and communities.” Lifestyles also provides shelter, clothing, food, and shower facilities for the homeless. Lifestyles sees a growing homeless population in Charles County and minimum-wage workers with families who are moving every two weeks. Lifestyles staff help these workers clean up their credit issues in order for them to qualify for more permanent housing.	Lifestyles sees the need for increased emergency shelter and transitional housing, but limited financial and human resources to meet these needs. Lifestyles would like to see a more effective referral system among agencies and groups to assist persons prior to being evicted or otherwise finding themselves at risk.
<i>Center for Abused Persons</i>	Located in Waldorf, this organization provides services for battered women and their children. Services include motel placements, referrals, and counseling.	
<i>Catherine Foundation</i>	Based in White Plains, the Catherine Foundation, serves pregnant women in crisis, in Calvert, Charles, and St. Mary’s counties. The Foundation assists pregnant women and mothers with affordable housing through its local networks.	
Senior Housing		
<i>Waldorf Jaycees</i>	The Jaycees have operated a 36-unit subsidized senior apartment complex since 1980. Victoria Senior Apartments a 64-unit addition by the Waldorf Jaycees, is scheduled for completion in 2003. The Jaycees provide other services to seniors out of the Jaycees Center or through their Senior Citizen Club. More than 30 non-profit organizations lease space in the center and about 135,000 people visit the center each year. The Jaycees sometimes provide senior rental assistance, when funding is available.	The Jaycees proposed the construction of 75 HUD-assisted senior apartment units adjacent to the existing apartment complex, but this application was originally rejected.
<i>Maples Foundation</i>	The Maples Foundation operates a 75-unit low-income senior apartment complex, plus 18 cottages in La Plata. This complex 100 percent occupied and has a waiting list.	
Housing for People with Disabilities		
<i>Melwood</i>	Melwood, based in Upper Marlboro, provides job training, employment, housing, leisure, and travel opportunities for people with developmental disabilities. In Charles and Prince George’s counties, Melwood operates 10 scattered site alternative living units (for three to five residents), with 24-hour supervision. These units are intended to help integrate people with disabilities into the community.	The key issue identified by the organizations that serve the disabled is the lack of affordable housing that they can purchase and develop for their clients. These organizations have to raise more money today to purchase housing now than they did a few years ago. Providers also cite a need for more public transportation options for clients.
<i>Spring Dell</i>	Spring Dell, based in La Plata, operates nine units in Charles County, generally for three to five residents with mental retardation or physical difficulties.	
<i>The Arc of Southern Maryland</i>	The Arc, based in Prince Frederick, serves the Tri-County area providing residential services, support services, individual vocational training, assessment and supported employment to adults with mental retardation.	

Agency, Group	Program Description and Detail	Needs, Constraints, Gaps
<i>Southern Maryland Community Network (SMCN)</i>	The Southern Maryland Community Network based in Prince Frederick provides support and assistance to people with psychiatric disabilities in Calvert, Charles, and St. Mary's Counties. SMCN provides residential placements for people diagnosed with chronic mental illnesses, as part of its efforts to integrate them into the community.	
Other Organizations		
<i>Even Start</i>	This program in Nanjemoy assists young people in finding employment, affordable housing, and in meeting other needs.	
<i>People Serving People</i>	This organization provides assistance to people with drug and alcohol addictions. It also provides services similar to Christmas in April, and has worked with Habitat for Humanity on projects in Nanjemoy.	
<i>Maryland National Capital Building Industry Association (MNCBIA)</i>	This organization represents 700 member developers and firms in Charles and surrounding counties. MNCBIA tracks housing legislation and works in "neglected" issues in the industry. The association is interested in policies and programs to assist builders in developing affordable housing.	
<i>Southern Maryland Association of Realtors (SMAR)</i>	The Southern Maryland Association of Realtors represents the real estate industry in Charles and surrounding counties from its office in Hughesville. A member serves on the Charles County Housing Commission and SMAR is interested in serving all income sectors by making affordable homeownership a reality.	

Chapter 5 The Plan

This chapter describes the Plan to meet Charles County's housing needs identified in Chapter 4. The Plan is organized around five goals. Under each goal are specific policies and actions designed to address identified needs. Detailed cost estimates for each of the 39 actions recommended in the plan are presented in Appendix D. The five goals are:

- 1. Increase the supply of housing that is affordable to residents at different income levels.**
- 2. Increase the number of housing units in Charles County available for renter occupancy.**
- 3. Provide for the housing needs of special populations including the very low and low-income, seniors, homeless, and disabled populations.**
- 4. Ensure the health and stability of existing neighborhoods and communities.**
- 5. Raise awareness for housing issues in the County.**

Goal 1 Increase the supply of housing that is affordable to residents at different income levels.

Many sectors of the housing market in Charles County are healthy. There are, however, several sectors of the market where there are serious existing and projected needs. In general, households with incomes above \$50,000 a year are served by the private housing market and do not need targeted assistance. Based on this income they can afford monthly housing costs of \$1,250 a month, which covers the mortgage on the median for sale house (\$1,018).

Based on the needs analysis in Chapter 4, by 2020 Charles County will need at least:

16,656 housing units that are affordable to households with incomes above \$50,000,
3,981 units that are affordable to households with incomes between \$35,000 and \$50,000 (housing cost less than \$1,063 a month),
2,430 units that are affordable to households with incomes between \$25,000 and \$35,000 (housing cost less than \$750 a month),
1,608 units that are affordable to households with incomes between \$15,000 and \$25,000 (housing cost less than \$500 a month), and
1,751 units that are affordable to households with incomes below \$15,000 (housing cost less than \$200 a month).

Definition of affordable: Housing cost no higher than 30 percent of household income

Policy 1A Promote the creation of attached and multi-family dwelling developments.

Increase the supply of single-family attached dwellings and multi-family dwellings to meet Charles County's Comprehensive Plan housing unit mix objective of 70 percent single-family detached, 20 percent single-family attached and 10 percent multi-family

Actions (See Appendix D for cost estimate)

- i) **Zone more land for attached and multi-family dwellings.**
- ii) **Review the school allocation policies under the County's growth management Adequate Public Facility regulations.** As discussed in Chapter 3, the current policies make it difficult for multi-family projects (that need a large number of allocations at one time) to obtain a sufficient number of allocations to move forward.
- iii) **Target the mixed-use areas in the Bryans Road and Waldorf Sub-Area plans to create opportunities for attached and multi-family dwellings.**

Discussion

Increasing the supply of housing that is affordable to residents at different income levels would have multiple benefits to Charles County:

- **Support economic development.** Charles County is competing with surrounding areas for jobs. An adequate resident labor force is essential to attracting new employers to the County. The business survey conducted for this Plan found that about one in three were impacted negatively by the lack of affordable housing in the County (see Chapter 3 and Appendix C).
- **Provide housing opportunities for young professionals currently squeezed out of the housing market.** As discussed in Chapter 4, even professionals working for the County in the \$50,000 to \$60,000 salary range cannot find housing in Charles County.
- **Provide more housing opportunities for seniors.** Charles County has a growing senior population. Increasing the supply of housing will enable more of them, and their retirement income, to stay in the County.
- **Increase quality of life in the County by providing more housing choices.**
- **Provide the necessary population to help create lively, pedestrian-friendly places in town centers and activity centers, in support of the Bryans Road and Waldorf Sub-Area plans.**
- **Reduced impacts on schools.** Multi-family units generate less school children than single family homes (three multi-family units in Charles County generate approximately the same number of school children as two single family units²⁷).

The single most effective way of increasing the supply of housing that is affordable to residents at different income levels is to increase the supply of attached and multi-family dwelling developments in Charles County. This will help all market segments including young professionals, seniors, persons needing emergency and transitional housing.

As discussed in Chapter 4, sufficient numbers of building permits are being issued to meet the County's growth projections, but the County is getting off track from its Comprehensive Plan housing unit mix goal of 70 percent single-family detached, 20 percent single-family attached and 10 percent multi-family.

To meet the County's 1997 Comprehensive Plan housing mix goal, future units built through 2020 will have to be 23 percent attached and 8 percent multi-family compared to the past four-year trend (1998 to 2002) of 17 percent attached and one percent multi-family.

²⁷ Multi-family pupil yield: 0.39 students per unit; single-family pupil yield: 0.54 students per unit. Source: Charles County Dept. of Fiscal Services, Excise Tax Analysis, 2003.

Policy 1B Reduce the cost of developing affordable housing

As discussed in Chapter 3, the minimum cost of developing a new single-family home in Charles County is approximately \$251,000 requiring a monthly housing expenditure of approximately \$1,555. Less than half the households in Charles County can afford housing at this cost.

Actions (See Appendix D for cost estimate)

- i. Increase permissible development densities in selected parts of the County.** In Charles County land represents approximately one quarter of the cost of developing housing. By reducing the cost of land through increased density overall housing cost can be reduced.
- ii. Increase height limits in selected parts of the County.** Increasing permissible development densities may also require increasing height limits. Except for St. Charles, the maximum height in most zoning districts is 40 feet, though heights up to 60 feet are permitted for residential uses in the CB district. The Waldorf Sub-Area Plan (draft July 2003) proposes allowing five to eight story buildings in that plan's proposed activity centers and mixed use areas.
- iii. Increase the number of exemptions that can be granted to the County's minimum size and façade requirements for single-family homes** (Code §297-212.3.01.100 and §297-212.3.02.200). These requirements:

- Limit number of townhouse units per building (average of four, no more than six).
- Require a minimum finished livable space of 1,650 square feet in most zoning districts.
- Require for townhouses that 60 percent of exterior be brick or stone.

The County adopted these requirements in 1999 (for townhouses) and 2000 (for single family detached) after considerable debate in order to increase the quality of housing in the County and to increase property values. Property values have increased in the County, though it is unclear to what extent the size and façade requirements contributed to the increase. Developers state that the requirements add significantly to construction costs in Charles County making it extremely difficult to build housing that is affordable to lower-income households. In addition, the requirements preclude high-quality developments that are small and not necessarily faced with brick or stone.

For single-family homes there is an exemption to the minimum 1,650 square foot, finished livable space requirement for a) up to ten percent of the dwelling units in a residential subdivision; b) for senior housing; and c) for dwelling units not on public sewer. In addition, for a "low-to-moderate priced dwelling unit project being constructed by a non-profit organization that has been approved by the Housing Commission", there is an exemption to the minimum size and façade requirements. No exemptions are available for townhouses.

Recommendations:

- a. Allow exemptions for townhouses.
- b. Increase the exemption in all residential developments from 10, to 25 or 30 percent of the dwellings.
- c. Expand the exemptions for projects being constructed by a non-profit organization to include any project with Moderately Priced Dwelling Units (MPDUs), with the approval of the Housing Commission (see Policy 1C).
- iv. Consider exempting some types of development from the excise tax.** This tax is scheduled to become effective July 1, 2003 and is designed to offset the cost of school construction. It would convert the current impact fee (paid at building permit stage by builder) to a \$7,000 to \$9,700 excise tax (depending on the unit type) that would be added to home cost and amortized over 10

years by buyer. As of Spring 2003, consideration is being given to exempting senior housing from the tax.

Discussion

The excise tax is needed to help the County cover the cost of school construction. It is a new tax that needs to be given time to work. According to the County Treasurer's office, the County will conduct an annual study to determine if the amount of the tax needs to be adjusted. The tax will increase the cost of housing and make housing less affordable. The tax is also regressive in that it is not based on ability to pay or on size of house. The tax is the same for a 3,000 square foot house as for a 1,650 square foot one.

Depending on the success of other actions in this Plan to increase the supply of affordable housing, consideration should be given to exempting some types of development from the tax. Candidate types might be moderately priced dwelling units, housing for special populations such as the emergency and transitional housing, or for a low-to-moderate priced dwelling unit project being constructed by a non-profit organization.

v. Reduce or eliminate the cost of hookup fees for water and sewer for some types of development.

Discussion

Hookup fees for water and sewer are currently \$6,234 per housing unit, and are determined on an average-cost basis. The 1994 Community Development Housing Plan recommended a study to determine the actual cost and then adjusting the fees down for higher density housing where the actual hookup costs are less than average. A simpler approach might be to institute a process where the Housing Commission would be allowed to reduce or waive the fees for some types of development such as moderately priced dwelling units or low-to-moderate priced dwelling unit project being constructed by a non-profit organization.

Policy 1C Encourage the inclusion of affordable housing in market-rate housing developments (Moderately Priced Dwelling Units, MPDUs)

Actions (See Appendix D for cost estimate)

- i) Reserve a percentage of school capacity allocations for projects with affordable housing.**
- ii) Revise the density bonus provisions of the MPDU program.**
- iii) Permit exemptions to the excise tax and sewer and water hookup fees for MPDUs.**

Discussion

The County's MPDU program, adopted in 1992, has not worked. Only one project used the program providing a total of 16 MPDUs. The Charles County Housing Commission recommended a mandatory program in the early 1990s but it was adopted as a voluntary program.

In lieu of recommending a mandatory program, this Plan recommends an incentive-based approach whereby a percentage of school capacity allocations under the County's adequate public facilities program would be reserved for projects with affordable housing. This would provide a strong incentive for developers to include MPDUs in market rate projects (see also recommended action ii, under Policy 1A).

In addition, the program's density bonus provisions need to be revised. The existing density bonus is too small to compensate the developer for the cost of the MPDUs plus the cost of the necessary program covenants and agreements.

Finally, if the Actions i) and ii) do not result in the production of MPDUs, consideration should be given to further reducing the cost of providing MPDUs by permitting exemptions to the excise tax and sewer and water hookup fees (see also Policy 1B).

Policy 1D Support the development of projects with affordable housing

Actions (See Appendix D for cost estimate)

- i. Enhance the capacity of the non-profit housing developers in the County.**
- ii. Initiate more active participation by the Housing Commission in assisting the development of affordable housing including creation of a local Housing Trust Fund.**

Discussion

Nonprofit housing developers in the County include the Southern Maryland Tri-County Community Action Committee, the Waldorf Jaycees, and Habitat for Humanity. These groups and organizations face many of the same difficulties in developing as the for-profit sector. A variety of funding can be used to enhance these groups' capacities including Community Development Block Grant funds, use of local housing trust funds (see below), and advocating for reduced development costs such as the excise tax and water and sewer hook up fees (see above).

The 1994 Community Development Housing Plan noted that the Housing Commission was not making use of the range of powers available to it under its enabling legislation (Annotated Code Article 44A). The Housing Commission's budget is very limited, averaging around \$140,000 a year, limiting its ability to be an active partner in housing development. More active participation by the Housing Commission could include:

- **Participation in limited partnerships to promote public-private housing ventures.** These might include use of bonds issued by the Department of Housing and Community Development.
- **Promotion of low-income housing tax credits (LIHTC).** LIHTCs are provided through the U.S. Housing Finance Commission based on Section 42 of the Internal Revenue Code. LIHTCs are incentives aimed at encouraging the construction or rehabilitation of buildings for low-income tenants. The Low-Income Housing Tax Credit Program offers a "dollar-for-dollar reduction in tax liability to property owners and investors who agree to provide low-income housing for up to 40 years." The credits can also be used by developers to attract investors that commit equity in a project in return for a share of the tax credits. The LIHTC programs are administered by housing agencies in each state, including Maryland. The states allocate the credits on a per-capita basis equal to \$1.75 per resident per year, and can also receive unused funding from other states.

Charles County is in the Washington Metropolitan Area, with its relatively high Area Median Income (AMI). As a result the threshold for receiving housing tax credits is also relatively high at 60 percent of AMI or about \$54,000, providing an incentive for participation in the tax credit program.

- **Creation and use of a Local Housing Trust Fund,** as was recommended in the 1994 Community Development Housing Plan.

A Housing Trust Fund offers the county a flexible locally-controlled funding resource for housing assistance projects. Examples include downpayment and settlement subsidy programs,

intervention funds to keep people in their homes, rehabilitation programs, purchase of land for a community land trust, or participation in partnerships to promote public-private housing ventures. Many of these programs could be in the form of low or no interest loans to ensure the replenishment of the Fund. The Fund is envisioned as operating in similar fashion to the County's existing Rehabilitation Loan Program, but with more flexibility in how the funds would be used

Potential funding sources to capitalize the Fund include:

- County general funds, similar to the existing Rehabilitation Loan Program.
- Donations.
- Allowing developers to contribute to the Fund in lieu of building MPDUs.
- Bond issue.

The Housing Commission would need more support staff in the Department of Community Services to pursue such participation.

Policy 1E Broaden the diversity of well-designed housing product types in Charles County

Actions (See Appendix D for cost estimate)

- i. Support and promote the development of different types of housing product.**
- ii. Become familiar with and participate in the future further development of the County's Architectural and Site Design Guidelines and Standards for residential development** (standards for single family detached homes in projects of 10 or more lots within the Development District became effective in January 2003).
- iii. Promote new developments with good design.**

Discussion

New housing in Charles County tends to conform to the 2- and 3-story, single-family detached Colonial "box" with 1,650 square feet or larger. As discussed in Chapter 4, Charles County needs greater housing product diversity to serve its increasingly diverse population. A great diversity of housing products is being brought to markets throughout the U.S. and in the Washington and Baltimore region (see Figure 5-1).

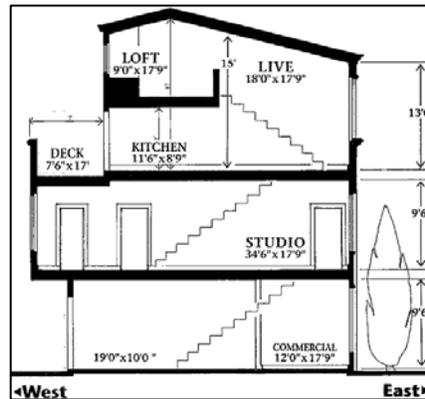
Shared market-rate units is a concept promoted by the Charles County Economic Development Commission, and is housing designed for two independent young professionals with a shared common area and kitchen, living room and bedroom on both ends. Such units might be priced at \$1,200 to \$1,400 market rate, and be affordable with the rent being shared. Live-work units allow a business owner to live above retail or service space and would be ideal for mixed-use areas in Waldorf, La Plata, Indian Head, Bryans Road and rural villages.

Good new designs can be promoted and shared in county publications such as the Economic Development Forum, an Economic Development Commission newsletter, and at Housing Summits (see below under Goal 5).

Figure 5-1 Residential Product Examples



Above. Left, Arlington Virginia, Right Montgomery County



Above. Live-work unit, with floor plan, and, left, the living area.

Right: Lakeside Apartments in St. Charles.



Figure 5-1 Residential Product Examples, cont.



Above, Governors Landing apartments, Bowie.

Left, Harbor Gates apartments, Annapolis.

Below left, concept for apartment project in Parole near Annapolis. Units are built around a parking structure.

Below right, Rivergate condominiums, Annapolis



Goal 2 Increase the number of housing units in Charles County available for renter occupancy

Charles County's rental market is extremely tight; at or close to 100 percent occupancy. Rental units as a share of housing in the County fell from 24.2 percent in 1990 to 21.9 percent in 2000. There is very little multi-family development in the County (only 60 multi-family building permits were issued in five years between January 1998 and December 2002, one percent of the total).

Approximately 5,771 units for rental-occupancy will be needed by 2020 in order to remain at the 2000 rate of rental occupancy (21.9 percent). If, in order to help ease the tight renter market, the 1990 owner/renter ratio (76 percent owner and 24 percent renter) is applied to future housing units, approximately 7,383 new units available for rent will be needed by 2020 (see Table 3-1).

Policy 2A Encourage a change in the number of renter occupied units from the 2000 rate of 22 percent to the 1990 rate of 24 percent. To accomplish this encourage 28 percent of future housing units through 2020 to be available for renter occupancy.

Actions (See Appendix D for cost estimate)

- i. Promote the creation of attached and multi-family dwellings (see Goal 1, Policy 1A).**
- ii. Publicize the accessory apartment provisions of the zoning ordinance.**
- iii. Conduct a rental survey.**

Making more land available for attached and multi-family dwellings is the single most effective way of increasing the supply of rental housing, in concert with other policies discussed under Goal 1. The private market will provide the bulk of the necessary units but private non-profit groups and organizations will play an important role in meeting the rental needs of special populations including seniors.

Charles County has permitted accessory apartments in certain residential zoning districts as a matter-of-right since 1992. These types of units can play a useful role in meeting the County's rental needs and more could be done to promote them. In many communities, for example, seniors either live in accessory units or rent out an accessory unit for income.

Many county housing offices or planning departments produce periodic rental surveys. These collect information such as numbers of rental units, addresses, contact information, occupancy rates, rents by different unit type, number of subsidized units. Currently this information is not collected in a comprehensive, organized manner and different groups and organizations maintain their own databases. A rental survey would enable the County to track progress in meeting its renter occupancy goal, as well as provide much useful information for service agencies and for both for-profit and non-profit housing providers. These groups may be willing to participate in the cost of conducting a rental survey (estimated at around \$20,000).

Goal 3 Provide for the housing needs of special populations including the low and very low-income, seniors, homeless, and disabled populations

These populations' needs are discussed in Chapter 4. Needs highlights are:

- **Seniors.** Projected increase in Charles County's senior population from 13,547 in 2000 to 37,747 by 2020, by far the fastest growing segment of the population.
- **Very low income.** By 2020 there will be an estimated 8,656 households in the County with household incomes under \$25,000 (2000 \$). A little over half of these will have household incomes below \$15,000 (2000 \$). Of the 8,656 households, 5,281 will be senior-headed households and 3,375 non senior headed households. As of 2003 there were approximately 640 senior-subsidized units in Charles County with an additional 64 units under development.
- **Homeless.** Charles County will need at least 60 to 100 additional shelter beds by 2020. These will include more beds for men in Waldorf, beds for women in Waldorf, and beds in western Charles County.

There is overlap between some of these populations. For example, a large number of the low and very low income households are senior headed households. Housing for these populations will need to come from a variety of sources:

- Senior subsidized housing
- Moderately Priced Dwelling Units
- Alternate living units
- Transitional housing, in a variety of settings including single room occupancies, group homes, and family units.
- Nursing homes
- Assisted living
- Accessory apartments
- Section 8 vouchers
- Emergency housing
- Group housing
- Supportive housing

Actions (See Appendix D for cost estimate)

- i. **Pursue the policies and actions under the other goals in this Plan.** The goals and policies in this Plan are not mutually exclusive. In particular, increasing the supply of attached and multi-family dwelling developments in the County (Goal 1) will relieve pressure on all market segments thereby also helping special populations through prevention.
- ii. **Monitor the housing needs of these special populations.**
- iii. **Provide additional emergency shelter beds.** An estimated 60 to 100 additional beds will be needed by 2020 in different parts of the County. The 1997 Comprehensive Plan recommended considering an increase in marriage license fees to provide funds for shelters for battered spouses. This idea should be explored.
- iv. **Continue to pursue programs that can assist these populations:**
 - Settlement Expense Loan Program
 - Maryland Mortgage Program
 - Rehabilitation Loan Programs
 - Expanded transit services (see Chapter 4)
 - Homebuying and credit counseling
 - Rent-to-own, property tax credit program (see Goal 4)

- v. **Review the effectiveness of current agency referral systems.** Review whether current referral system among agencies and groups are effective in meeting the needs of special populations.
- vi. **Monitor fair housing practices in Charles County.** Discrimination in housing does not appear to be a problem in Charles County (see Chapter 4), but housing practices need to be continually monitored to assure equal opportunity.
- vii. **Sponsor a housing summit on the needs of one or more of the special population groups** (see Goal 5).

Goal 4 Ensure the health and stability of existing neighborhoods and communities

Policy 4A Address the needs of at-risk neighborhoods and communities

Neighborhoods and communities can become susceptible to decline and blight due to problems such as disinvestment, wholesale conversion of homes from owner to rental, falling property values, crime, narrow real estate market position, a negative neighborhood image, or community organizational and financial responsibilities that exceed the community's capabilities.

Increases in property values have helped stabilize at-risk communities, but if the underlying problems are not addressed, they remain susceptible to decline and blight.

Actions (See Appendix D for cost estimate)

- i. **Help implement and monitor implementation of the Heathcote Road Community Legacy Plan (2003).**
- ii. **Help implement and monitor implementation of the Nanjemoy Housing Task Force recommendations.** This ad hoc committee, with staff support from the Department of Community Services is ongoing as of Spring 2003.
- iii. **Prepare comprehensive neighborhood revitalization plans for other communities using the Heathcote Road Community Legacy plan as a model.** Potential candidate neighborhoods include Riverside Run in Indian Head and Phoenix Run in La Plata.
- iv. **Encourage homeownership in neighborhoods where the high renter occupancy rate is having a destabilizing effect.** Strategies identified in the Heathcote Road Community Legacy Plan (2003) include improving access to below market mortgage money for homebuyers; providing homebuying and credit counseling for prospective owners; improving the marketing of communities; and intervention buying.

The Charles County Housing Commission has proposed a rent-to-own program that would offer a tax credit for county property taxes for one or more years for persons buying a home in communities with high renter occupancy rates.

- v. **Continue to develop support services such as community centers, family support centers, and Judy Centers.**
- vi. **Seek grants from foundations and large corporate givers to assist with housing and community revitalization.** The Heathcote Road Community Legacy Plan includes a detailed discussion of this as a strategy.

Policy 4B Reduce the numbers of physically substandard housing units in the County

The numbers of substandard units in the County continues to decline according to the Census (see Chapter 2) but housing providers believe the number of substandard homes is greater. The Christmas in April organization reports it has rehabilitated an average of about 25 units since 1990 (see Chapter 3). The Department of Community Services continues to have problems with rental units in substandard condition. Rental units account for approximately 60 percent of the occupied units that are in substandard condition.

Actions (See Appendix D for cost estimate)

- i. Work with and support organizations such as Christmas in April that upgrade substandard units.**
- ii. Provide an additional Loan Processor position within the Department of Community Services to expand participation in programs targeted to substandard units.**
- iii. Strengthen enforcement of the livability code.**
- iv. Explore incentives such as tax credits for rental property owners who install indoor plumbing.**

Current efforts to identify and rehabilitate the remaining substandard units should continue. In addition, to ensure that existing above standard homes do not deteriorate, the County should continue to promote programs such as the County's Rehabilitation Loan Program, and state programs including the Housing Rehabilitation Loan Program, Indoor Plumbing Program, and Special Targeted Area Rehabilitation Program (STAR).

As discussed in Chapter 4, the County's current enforcement of the livability code does not address substandard conditions experienced by current tenants and substandard rental units remain in the County. These can have a blighting effect on nearby properties especially in at-risk neighborhoods and result in loss of property values. The concern that the benefits of active enforcement could be offset by loss of rental units through conversion to for sale units is legitimate. However, the County also needs to be more proactive in requiring that substandard conditions be corrected, especially when they are being experienced by people with limited means and few housing options. Options for consideration include:

- Maintain a database of substandard units²⁸.
- Publicize the existence of the minimum livability code, including landlord and tenant responsibilities, with information on how to lodge complaints. Include information for landlords about financial assistance for rehabilitation.
- Allow non-tenants to make complaints about rental housing conditions to the Department of Community Services.
- Work with emergency housing providers to ensure that housing is available in the event a landlord evicts a tenant as a result of a complaint.
- Increase the penalty for livability code violations. The Maryland Livability Code allows fines of up to \$500 per day fines and three months in jail.
- Institute active enforcement of the livability code within the Development District. This would offset concerns of loss of rental units through conversion to for sale units in rural areas, and focus attention on the part of the County where substandard units can have the most blighting effect.

²⁸ As noted in Chapter 4, the records of the County's last survey of substandard structures were destroyed in a fire at the Department of Community Services building in Port Tobacco in 2003.

- Require a license requirement (registration) for all or certain categories of rental properties. Within Charles County the Towns of Indian Head and La Plata both require registration. While neither Calvert nor St. Mary's Counties have a registration program the larger counties to the north do including Howard, Montgomery, and Prince Georges. Anne Arundel County requires registration for apartment complexes, but not for scattered site rentals.

Action number iv. was recommended in the County's 1997 Comprehensive Plan. The credit would be offered providing the unit remains as low cost housing for a certain time period such as the tax credit amortization.

Policy 4C Improve Homeowners' Associations abilities to address the problems that occur in operating and maintaining common ownership communities

Actions (See Appendix D for cost estimate)

- i. Follow up on the recommendations of the 2000 Homeowners' Association Task Force.**
The Task Force submitted its report to the County Commissioners in December 2001.

Goal 5 Raise awareness for housing issues in the County

Housing is such an important issue in Charles County that more attention needs to be focused on it, in much the same way that the County's Economic Development Commission has focused attention on economic development issues.

Actions (See Appendix D for cost estimate)

- i. Hold an annual Housing Commission Housing Summit.**
- ii. Promote public education for housing issues.**

A housing summit would provide an opportunity for people concerned about housing in the County to meet, share ideas and perspectives, and articulate needs. The Fall 2002 workshop for the Housing plan was very successful and beneficial to all participants. Each summit might have a theme or focus such as addressing the needs of special populations, rental housing, workforce housing, senior housing, low income housing tax credits, or Homeowners' Association management issues. The third annual Affordable Housing Forum was held in 2003 in St. Mary's County.

Promoting public education could include:

- A weekly "Housing Charles County" column in the Maryland Independent, similar to the Economic Development Commission column. Each column might focus on a different housing program or housing provider, or could be used to focus attention on good new housing designs or projects.
- Funding options and opportunities for housing programs and developments.
- Getting housing on the agenda at the County's annual Economic Summit (held annually).
- Literature on fair housing, the livability code, rental housing, and county housing programs.

Recommended Next Steps

The following table lists 10 recommended steps to begin to implement the plan. The single most effective way of increasing the supply of housing that is affordable to residents at different income levels is to increase the supply of attached and multi-family dwelling developments in Charles County. This will relieve pressure on all market segments including young professionals, seniors, and persons needing emergency and transitional housing.

Table 5-1 Recommended Next Steps

Step	Goal, Policy, Action #	Action	Cost	
			Annual/Ongoing	One-Time
1.	1.1A.i	Zone more land for attached and multi-family dwellings.	Zero	
2.	1.1A.iii	Target the mixed-use areas in the Bryans Road and Waldorf Sub-Area plans to create opportunities for attached and multi-family dwellings.	Zero	
3.	1.1B.i	Increase permissible development densities in selected parts of the County.	Zero	
4.	1.1B.iv	Consider exempting some types of development from the excise tax.	\$867,900	Zero
5.	1.1C.i	Reserve a percentage of school capacity allocations for projects with affordable housing.	Zero	
6.	1.1D.i	Enhance the capacity of the non-profit housing developers in the County.	\$233,700	\$100,000
7.	1.1D.ii	Initiate more active participation by the Housing Commission in assisting the development of affordable housing including creation of a local Housing Trust Fund.	Zero	\$250,000
8.	3.iii	Provide additional emergency shelter beds.	\$64,600	\$699,605
9.	4.4A.vi	Grants developer position in the Department of Community Services to seek grants from foundations and large corporate givers to assist with housing and community revitalization.	\$55,000	\$4,000
10.	4.4B.ii	Provide an additional Loan Processor position within the Department of Community Services to expand participation in programs targeted to substandard units.	\$35,000	Zero

Appendix A

November 15, 2002 Public Workshop

Attendance List

Name	Agency/Organization
Maria Bryan	Catholic Charities
F. Hamer Campbell, Jr.	MD-National Capital Building Industry Association
Lemuel P. Carpenter	Charles Co. Dept. of Community Service
Jann Clark	Southern MD Association of Realtors
Andie Corby	Charles County Housing Commission
Colin Davis	Fuller House, Homeless Advocacy Association.
Tom Earnest	Southern MD Association of Realtors
Beth Flynn	Catholic Charities, Angels Watch Shelter
Debbie Gass	Southern Maryland Tri-County Community Action Committee
Paula Glidden	Catholic Charities, La Plata FC
Dick Gregory	Waldorf Jaycees
Clive Graham	Environmental Resources Management
Randy Gross	Randall Gross Development Economics
Dana Jones	Southern Maryland Tri-County Community Action Committee
Tammy Maguire	Charles County Housing Commission
Damiana Murphy	Charles County Dept. of Social Services
Cornell Posey	Charles County Housing Commission
Ron Sweeney	Christmas in April
Dayle Tyng	Charles County Housing Commission
Sandy Washington	Lifestyles of Maryland Foundation

Appendix B Demographic and Socioeconomic Background Tables, See discussion in Chapter 1.

Table 1

Total Population, Charles County, Selected Counties and the State of Maryland, 1980 - 2000

	1980		1990		2000		Change 1980-1990		Change 1990-2000	
	Number	Percent of State	Number	Percent of State	Number	Percent of State	Number	Percent	Number	Percent
Charles County	72,751	1.7	101,154	2.1	120,546	2.3	28,403	39.0	19,392	19.2
Calvert County	34,638	0.8	51,372	1.1	74,563	1.4	16,734	48.3	23,191	45.1
St. Mary's County	59,895	1.4	75,974	1.6	86,211	1.6	16,079	26.8	10,237	13.5
Prince George's County	665,071	15.8	729,268	15.3	801,515	15.1	64,197	9.7	72,247	9.9
Southern Maryland (Calvert, St. Mary's, and Charles Counties)	167,284	4.0	228,500	4.8	281,320	5.3	61,216	36.6	52,820	23.1
Maryland	4,216,933	100.0	4,781,468	100.0	5,296,486	100.0	564,535	13.4	515,018	10.8

Sources: Census 2000 Summary File 1, U.S. Bureau of the Census Summary Tape File 1A (STF1A) 1990 and 1980

Table 1A

Total Population, Charles County, Selected Counties and the State of Maryland, July 2000 to July 2002

	7/1/00		7/1/02		Change 2000-2002	
	Number	Percent of State	Number	Percent of State	Number	Percent
Charles County	121,285	2.3	129,040	2.4	7,755	6.4
Calvert County	75,191	1.4	80,906	1.5	5,715	7.6
St. Mary's County	86,519	1.6	90,044	1.6	3,525	4.1
Prince George's County	803,612	15.1	816,791	15.0	13,179	1.6
Southern Maryland (Calvert, St. Mary's, and Charles Counties)	282,995	5.3	299,990	5.5	16,995	6.0
Maryland	5,312,461	100.0	5,458,137	100.0	145,676	2.7

Source: U.S. Bureau of the Census, Population Estimates Branch

Table 2

Household Size for Charles County, the State, and Selected Counties, 2000 to 2020

	Census			Change 2000-2010		Change 2000-2020	
	2000	2010	2020	Number	Percent	Number	Percent
Charles County	2.86	2.74	2.66	-0.12	-4.2	-0.20	-7.0
Calvert County	2.91	2.82	2.77	-0.09	-3.1	-0.14	-4.8
St. Mary's County	2.72	2.59	2.50	-0.13	-4.8	-0.22	-8.1
Maryland	2.61	2.53	2.43	-0.08	-3.1	-0.18	-6.9

Sources: Census 2000

Table 3 *Average Household Size, Charles County, Selected Counties and the State of Maryland, 1980 to 2000*

County	1980 Household Size	1990 Household Size	2000 Household Size
Charles County	3.38	3.03	2.86
Calvert County	3.21	3.01	2.91
St. Mary's County	3.10	2.87	2.72
Prince Georges County	2.89	2.76	2.74
Maryland	2.82	2.67	2.61

Sources: Census 2000 Summary File , 1990 census data

Table 4 *Family Households, Charles County, the State, and Selected Areas, 2000*

Location	Family Households		Nonfamily Households	
	Number	Percent of all Households	Number	Percent of all Households
Charles County	32,277	77.5	9,391	22.5
Columbia	23,126	67.6	11,073	32.4
Washington Area	526,666	70.4	221,684	29.6
Maryland	1,359,318	68.6	621,541	31.4

Source: Census 2000

Table 5

Population by Race, Charles County, 1980 to 2000

Population by Race, Charles County, 1980 to 2000

Population	1980		1990		2000		Change 1980-1990		Change 1990-2000	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
White	56,787	78.1	80,234	79.3	82,587	68.5	23,447	41.3	2,353	2.9
Black	14,736	20.3	18,419	18.2	31,411	26.1	3,683	25.0	12,992	70.5
All other races	1,228	1.7	2,501	2.5	6,548	5.4	1,273	103.7	4,047	161.8
Total	72,751	100.0	101,154	100.0	120,546	100.0	28,403	39.0	19,392	19.2

Sources: Census 2000 Summary File 1, U.S. Bureau of the Census Summary Tape File 1A (STF1A) 1990 and 1980 census

Table 5A

Population by Race, State of Maryland, 1980 to 2000

Population	1980		1990		2000		Change 1980-1990		Change 1990-2000	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
White	3,158,838	74.9	3,393,964	71.0	3,391,308	64.0	235,126	7.4	-2,656	-0.1
Black	958,150	22.7	1,189,899	24.9	1,477,411	27.9	231,749	24.2	287,512	24.2
All other races	99,987	2.4	197,605	4.1	427,767	8.1	97,618	97.6	230,162	116.5
Total	4,216,975	100.0	4,781,468	100.0	5,296,486	100.0	564,493	13.4	515,018	10.8

Sources: Census 2000 Summary File 1, U.S. Bureau of the Census Summary Tape File 1A (STF1A) 1990 and 1980 census

Table 5B

Population by Race, Southern Maryland Counties (Calvert, St. Mary's, and Charles Counties), 1980 to 2000

Population	1980		1990		2000		Change 1980-1990		Change 1990-2000	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
White	132,877	79.4	187,188	81.9	215,485	76.6	54,311	40.9	28,297	15.1
Black	31,965	19.1	36,740	16.1	53,187	18.9	4,775	14.9	16,447	44.8
All other races	2,442	1.5	4,572	2.0	12,648	4.5	2,130	87.2	8,076	176.6
Total	167,284	100.0	228,500	100.0	281,320	100.0	61,216	36.6	52,820	23.1

Sources: Census 2000 Summary File 1, U.S. Bureau of the Census Summary Tape File 1A (STF1A) 1990 and 1980 census

Table 6

Population by Age, Charles County, 1990 to 2000

Age	1990		2000		Change 1990-2000	
	Number	Percent	Number	Percent	Number	Percent
0 to 19	32,861	32.5	37,728	31.3	4,867	14.8
20 to 64	61,720	61.0	73,416	60.9	11,696	19.0
65 and older	6,573	6.5	9,402	7.8	2,829	43.0
Total	101,154	100.0	120,546	100.0	19,392	19.2

Sources: Census 2000 Summary File 1, 1990 census data

Table 6A

Population by Age, Maryland, 1990 to 2000

Age	1990		2000		Change 1990-2000	
	Number	Percent	Number	Percent	Number	Percent
0 to 19	1,298,005	27.1	1,492,965	28.2	194,960	15.0
20 to 64	2,965,981	62.0	3,204,214	60.5	238,233	8.0
65 and older	517,482	10.8	599,307	11.3	81,825	15.8
Total	4,781,468	100.0	5,296,486	100.0	515,018	10.8

Sources: Census 2000 Summary File 1, 1990 census data

Table 6B

Population by Age, Southern Counties (Calvert, Charles and St. Mary's Counties), 1990 to 2000

Age	1990		2000		Change 1990-2000	
	Number	Percent	Number	Percent	Number	Percent
0 to 19	72,795	31.9	88,148	31.3	15,353	21.1
20 to 64	138,250	60.5	169,318	60.2	31,068	22.5
65 and older	17,455	7.6	23,854	8.5	6,399	36.7
Total	228,500	100.0	281,320	100.0	52,820	23.1

Sources: Census 2000 Summary File 1, 1990 census data

Table 7

Householder, Persons 65 years and over, Charles County, State and Select Counties, 1990 to 2000

	1990		2000		Change 1990-2000	
	Number	Percent	Number	Percent	Number	Percent
Charles County	4,017	4.0	5,624	4.7	1,607	40.0
Calvert County	2,750	5.4	3,921	5.3	1,171	42.6
St. Mary's County	3,632	4.8	4,578	5.3	946	26.0
Maryland	322,875	6.8	373,370	7.0	50,495	15.6

Sources: 1990 US census data, Census 2000

Table 8

Population Projections for Charles County, the State, and Selected Counties, 2000 to 2020

	Census			Change 2000-2010		Change 2000-2020	
	2000	2010	2020	Number	Percent	Number	Percent
Charles County	120,546	147,400	183,300	26,854	22.3	62,754	52.1
Calvert County	74,563	86,600	95,600	12,037	16.1	21,037	28.2
St. Mary's County	86,211	100,800	114,800	14,589	16.9	28,589	33.2
Prince George's County	801,515	869,300	933,500	67,785	8.5	131,985	16.5
Southern Maryland (Calvert, Charles, and St. Mary's Counties)	281,320	334,800	393,700	53,480	19.0	112,380	39.9
Maryland	5,296,486	5,747,050	6,122,925	450,564	8.5	826,439	15.6
Baltimore Region	2,512,431	2,650,550	2,746,200	138,119	5.5	233,769	9.3
Washington Region	1,870,133	2,083,000	2,265,600	212,867	11.4	395,467	21.1

Sources: Maryland Department of Planning, Planning Data Services, 10/02. Year 2005-2025 for Baltimore and Washington metropolitan jurisdictions based on Rnd 5C (Baltimore) and Rnd 6.3 (Washington) changes applied to Census 2000 base.

Table 8A

Household Projections for Charles County, the State, and Selected Counties, 2000 to 2020

	CENSUS			Change 2000-2010		Change 2000-2020	
	2000	2010	2020	Number	Percent	Number	Percent
Charles County	41,668	53,250	68,100	11,582	27.8	26,432	63.4
Calvert County	25,447	30,450	34,250	5,003	19.7	8,803	34.6
St. Mary's County	30,642	37,450	44,025	6,808	22.2	13,383	43.7
Prince George's County	286,610	318,800	350,300	32,190	11.2	63,690	22.2
Southern Maryland (Calvert, Charles, and St. Mary's Counties)	97,757	121,300	146,375	23,543	24.1	48,618	49.7
Maryland	1,980,859	2,211,450	2,401,700	230,591	11.6	420,841	21.2
Baltimore Region	958,756	1,047,475	1,106,150	88,719	9.3	147,394	15.4
Washington Region	681,235	776,000	860,600	94,765	13.9	179,365	26.3

Sources: Maryland Department of Planning, Planning Data Services, 10/02 Year 2005-2025 for Baltimore and Washington metropolitan jurisdictions based on Rnd 5C (Baltimore) and Rnd 6.3 (Washington) changes applied to Census 2000 base.

Table 8B *Population Projections by Age, Charles County and the State*

2000				
Age	Charles County		Maryland	
	Number	Percent	Number	Percent
0-19	37,728	31%	1,492,965	28%
20-59	69,271	57%	3,002,485	57%
60 and over	13,547	11%	801,036	15%
Total	120,546	100%	5,296,486	100%

2010				
Age	Charles County		Maryland	
	Number	Percent	Number	Percent
0-19	42,403	29%	1,531,729	27%
20-59	81,705	55%	3,158,307	55%
60 and over	23,293	16%	1,057,015	18%
Total	147,401	100%	5,747,051	100%

2020				
Age	Charles County		Maryland	
	Number	Percent	Number	Percent
0-19	50,607	28%	1,553,238	25%
20-59	94,946	52%	3,146,569	51%
60 and over	37,747	21%	1,423,102	23%
Total	183,300	100%	6,122,909	100%

Source: Maryland Department of Planning, Planning Data Services, 10/02.

Housing Units, Charles County, 1980 to 2000

Table 9 *Total Housing Units*

Units	1980		1990		2000		Change 1980-1990		Change 1990-2000	
	Units	Percent	Units	Percent	Units	Percent	Number	Percent	Number	Percent
Occupied	21,378	94.1	32,950	95.5	41,668	94.9	11,572	54.1	8,718	26.5
Vacant	1,343	5.9	1,537	4.5	2,235	5.1	194	14.4	698	45.4
Total	22,721	100.0	34,487	100.0	43,903	100.0	11,766	51.8	9,416	27.3

Sources: Census 2000 Summary File 1, U.S. Bureau of the Census Summary Tape File 1A (STF1A) 1990 and 1980 census

Table 9A *Occupied Housing Units*

Units	1980		1990		2000		Change 1980-1990		Change 1990-2000	
	Units	Percent	Units	Percent	Units	Percent	Number	Percent	Number	Percent
Owner	16,884	79.0	24,957	75.7	32,571	78.2	8,073	47.8	7,614	30.5
Renter	4,494	21.0	7,993	24.3	9,097	21.8	3,499	77.9	1,104	13.8
Total	21,378	100.0	32,950	100.0	41,668	100.0	11,572	54.1	8,718	26.5

Sources: Census 2000 Summary File 1, U.S. Bureau of the Census Summary Tape File 1A (STF1A) 1990 and 1980 census

Table 10

Housing Unit Type, Charles County, 1980 to 2000

Unit Type	1980		1990		2000		Change 1980-1990		Change 1990-2000	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
1-unit, detached	17,920	79	24,377	70.7	31,204	71.1	6,457	36.0	6,827	28.0
1-unit, attached	1,349	6	5,463	15.8	7,856	17.9	4,114	305.0	2,393	43.8
2 or more units	2,449	11	3,256	9.4	3,933	9.0	807	33.0	677	20.8
Mobile home, Trailer, Other	900	4	1,391	4.0	910	2.1	491	54.6	-481	-34.6
Total	22,618	100	34,487	100.0	43,903	100.0	11,869	52.5	9,416	27.3

Sources: 1990 and 2000 US Census

Table 11

Owner Occupied Housing Units by Householder's Race, Charles County, 1980 to 2000

Householder's Race	1980		1990		2000		Change 1980-1990		Change 1990-2000	
	Units	Percent	Units	Percent	Units	Percent	Number	Percent	Number	Percent
White	14,255	84.4	21,126	84.6	24,319	74.7	6,871	48.2	3,193	15.1
Black	2,412	14.3	3,383	13.6	7,100	21.8	971	40.3	3,717	109.9
All Other	217	1.3	448	1.8	1,152	3.5	231	106.5	704	157.1
Total	16,884	100.0	24,957	100.0	32,571	100.0	8,073	47.8	7,614	30.5

Sources: Census 2000 Summary File 1, U.S. Bureau of the Census Summary Tape File 1A (STF1A) 1990 and 1980 census

Table 11A

Renter Occupied Housing Units by Householder's Race, Charles County, 1980 to 2000

Householder's Race	1980		1990		2000		Change 1980-1990		Change 1990-2000	
	Units	Percent	Units	Percent	Units	Percent	Number	Percent	Number	Percent
White	3,199	71.2	5,703	71.3	5,340	58.7	2,504	78.3	-363	-6.4
Black	1,241	27.6	2,130	26.6	3,272	36.0	889	71.6	1,142	53.6
All Other	54	1.2	160	2.0	485	5.3	106	196.3	325	203.1
Total	4,494	100.0	7,993	100.0	9,097	100.0	3,499	77.9	1,104	13.8

Sources: Census 2000 Summary File 1, U.S. Bureau of the Census Summary Tape File 1A (STF1A) 1990 and 1980 census

Table 12

Home Value and Income Comparisons, 1990 to 2000

	1990		2000				Home Value Change 1990-2000	
	Median Home value	Median Household Income	Median Home value	State Rank	Median Household Income	State Rank	Number	Percent
Charles County	\$122,300	\$46,415	\$153,000	8	\$62,199	4	\$30,700	25.1
Calvert County	\$136,100	\$47,608	\$169,200	3	\$65,945	3	\$33,100	24.3
St. Mary's County	\$108,300	\$37,158	\$150,000	9	\$54,706	11	\$41,700	38.5
Washington Region Maryland	\$115,500	\$39,386	\$169,000 \$146,000		\$62,647 \$52,868		\$30,500	26.4

Sources: 1990 and 2000 Census data

Table 12A

Monthly Rent and Income Comparisons, 1990 to 2000

	1990		2000				Rent Change 1990-2000	
	Median Monthly Rent	Median Household Income	Median Monthly Rent	State Rank	Median Household Income	State Rank	Number	Percent
Charles County	\$690	\$46,415	\$858	3	\$62,199	4	\$168	24.3
Calvert County	\$664	\$47,608	\$837	4	\$65,945	3	\$173	26.1
St. Mary's County	\$539	\$37,158	\$719	7	\$54,706	11	\$180	33.4
Washington Region Maryland	\$548	\$39,386	\$809 \$689		\$62,647 \$52,868		\$141	25.7

Sources: 1990 and 2000 Census data

Table 13

Comparison of Substandard Housing Indicators, Selected Counties, and the State of Maryland, 1980 to 2000

	Percent Units Lacking Complete Kitchen Facilities						Percent Units Lacking Complete Plumbing Facilities					
	1980		1990		2000		1980		1990		2000	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Charles County	1,363	6.0	549	1.6	353	0.8	1,659	7.3	918	2.7	468	1.1
Calvert County	754	5.9	244	1.3	251	1.0	895	7.0	317	1.7	301	1.2
St. Mary's County	894	4.2	313	1.1	681	2.2	660	3.1	595	2.1	321	1.0
Prince George's County	2,128	0.9	801	0.3	1,219	0.4	6148	2.6	919	0.3	1,268	0.4
Maryland	28,276	1.8	10,796	0.6	17,526	0.8	39,273	2.5	12,685	0.7	15,732	0.7

Sources: Charles County Community Development Housing Plan 1994, Census 1990 and 2000

Table 14

**Monthly Owners Costs as a Percentage of Household Income,
Charles County, 1990 to 2000**

	1990		2000		Change 1990-2000	
	Number	Percent	Number	Percent	Number	Percent
0 to 34	19,089	87.2	25,004	84.2	5,915	31.0
35 and more	2,716	12.4	4,553	15.3	1,837	67.6
Not Computed	81	0.4	146	0.5	65	80.2
Total	21,886	100.0	29,703	100.0	7,817	35.7

Sources: 1990 and 2000 Census data

Table 14A

**Monthly Renters Costs as a Percentage of Household Income,
Charles County, 1990 to 2000**

	1990		2000		Change 1990-2000	
	Number	Percent	Number	Percent	Number	Percent
0 to 34	5,235	69.9	5,687	66.7	452	8.6
35 and more	1,818	24.3	2,291	26.9	473	26.0
Not Computed	433	5.8	543	6.4	110	25.4
Total	7,486	100.0	8,521	100.0	1,035	13.8

Sources: 1990 and 2000 Census data

Table 14B

*Monthly Owners Costs as a Percentage of Household Income,
Maryland, 1990 to 2000*

Percent	1990		2000		Change 1990-2000	
	Number	Percent	Number	Percent	Number	Percent
0 to 34	863,064	87.6	982,825	83.4	119,761	13.9
35 and more	117,287	11.9	189,225	16.1	71,938	61.3
Not Computed	4,570	0.5	6,729	0.6	2,159	47.2
Total	984,921	100.0	1,178,779	100.0	193,858	19.7

Sources: 1990 and 2000 Census data

Table 14C

*Monthly Renters Costs as a Percentage of Household Income,
Maryland, 1990 to 2000*

Percent	1990		2000		Change 1990-2000	
	Number	Percent	Number	Percent	Number	Percent
0 to 35	407,020	68.0	421,094	66.6	14,074	3.5
35 and more	164,246	27.5	170,658	27.0	6,412	3.9
Not Computed	27,043	4.5	40,234	6.4	13,191	48.8
Total	598,309	100.0	631,986	100.0	33,677	5.6

Sources: 1990 and 2000 Census data

Table 15

Persons Below Poverty Line, Charles County, 1990 to 2000

Age	1990		2000		Change 1990-2000	
	Number	Percent	Number	Percent	Number	Percent
0-17	1,664	33.2	2,398	36.8	734	44.1
18-64	2,652	53.0	3,344	51.3	692	26.1
65+	691	13.8	776	11.9	85	12.3
Total	5,007	100.0	6,518	100.0	1,511	30.2

Sources: 1990 US census data

Table 15A

Persons Below Poverty Line, Calvert County, 1990 to 2000

Age	1990		2000		Change 1990-2000	
	Number	Percent	Number	Percent	Number	Percent
0-17	980	36.9	1,179	36.4	199	20.3
18-64	1,311	49.4	1,696	52.4	385	29.4
65+	363	13.7	360	11.1	-3	-0.8
Total	2,654	100.0	3,235	100.0	581	21.9

Sources: 1990 US census data

Table 15B

Persons Below Poverty Line, St. Mary's County, 1990 to 2000

Age	1990		2000		Change 1990-2000	
	Number	Percent	Number	Percent	Number	Percent
0-17	2,224	41.2	2,098	34.8	-126	-5.7
18-64	2,531	46.9	3,292	54.6	761	30.1
65+	638	11.8	641	10.6	3	0.5
Total	5,393	100.0	6,031	100.0	638	11.8

Sources: 1990 US census data

Table 15C

Persons Below Poverty Line, Maryland, 1990 to 2000

Age	1990		2000		Change 1990-2000	
	Number	Percent	Number	Percent	Number	Percent
0-17	128,523	33.4	141,877	32.3	13,354	10.4
18-64	204,943	53.2	247,945	56.5	43,002	21.0
65+	51,830	13.5	48,854	11.1	-2,976	-5.7
Total	385,296	100.0	438,676	100.0	53,380	13.9

Sources: 1990 US census data

Persons Below Poverty Line by age

Table 15D

Persons Below Poverty Line, Charles County, 1990 to 2000

Age	1990		2000		Change 1990-2000	
	Number	Percent of Population	Number	Percent of Population	Number	Percent
0-17	1,664	1.6	2,398	2.0	734	44.1
18-64	2,652	2.6	3,344	2.8	692	26.1
65+	691	0.7	776	0.6	85	12.3
Total	5,007	4.9	6,518	5.4	1,511	30.2

Sources: 1990 US census data

Persons Below Poverty Line, Maryland, 1990 to 2000

Table 15E

Age	1990		2000		Change 1990-2000	
	Number	Percent of Population	Number	Percent of Population	Number	Percent
0-17	128,523	2.7	141,877	2.7	13,354	10.4
18-64	204,943	4.3	247,945	4.7	43,002	21.0
65+	51,830	1.1	48,854	0.9	-2,976	-5.7
Total	385,296	8.1	438,676	8.3	53,380	13.9

Sources: 1990 US census data

Table 16 Labor Force and Employment Trends, Charles County, 1995-2001

Year	Labor Force	Employment	Unemployment	
			Rate	
1995	58,889	56,630	3.8%	
1996	60,304	58,228	3.4%	
1997	60,461	58,047	4.0%	
1998	60,585	58,632	3.2%	
1999	62,148	60,596	2.5%	
2000	63,018	61,402	2.6%	
2001	63,470	61,848	2.6%	

Source: Maryland State Department of Labor.

Table 17 Employment Trends in Charles and Selected Washington Area Counties, 1990-2000

Area/County	1990	2000	1990-2000 Change	
			Number	Percent
Charles	27,798	36,061	8,263	29.7%
Calvert	8,553	16,829	8,275	96.8%
St. Mary's	23,521	33,657	10,136	43.1%
Southern MD	59,873	86,547	26,675	44.6%
Montgomery	382,757	447,162	64,404	16.8%
Prince George's	288,672	302,916	14,244	4.9%
Anne Arundel	160,373	192,328	31,954	19.9%
Maryland	2,138,310	2,404,095	265,785	12.4%

Sources: U.S. Bureau of the Census and Randall Gross / Development Economics.

Table 18 Employment Trends By Primary Industrial Sector, Charles County, 1990-2000

Sector	1990	2000	1990-2000 Change	
			Number	Percent
Services	5,917	7,139	1,222	20.7%
Trade	7,937	12,793	4,856	61.2%
Government	7,213	7,329	117	1.6%
Manufacturing	1,026	1,441	414	40.4%
Construction	3,103	3,756	653	21.0%
Transportation, Communication, and Utilities	1,160	1,894	734	63.3%
Finance, Insurance, and Real Estate	792	1,244	452	57.0%
TOTAL	27,149	35,597	8,448	31.1%
Maryland	2,138,310	2,404,095	10,818	0.5%

Sources: Maryland Department of Labor and Randall Gross / Development Economics.

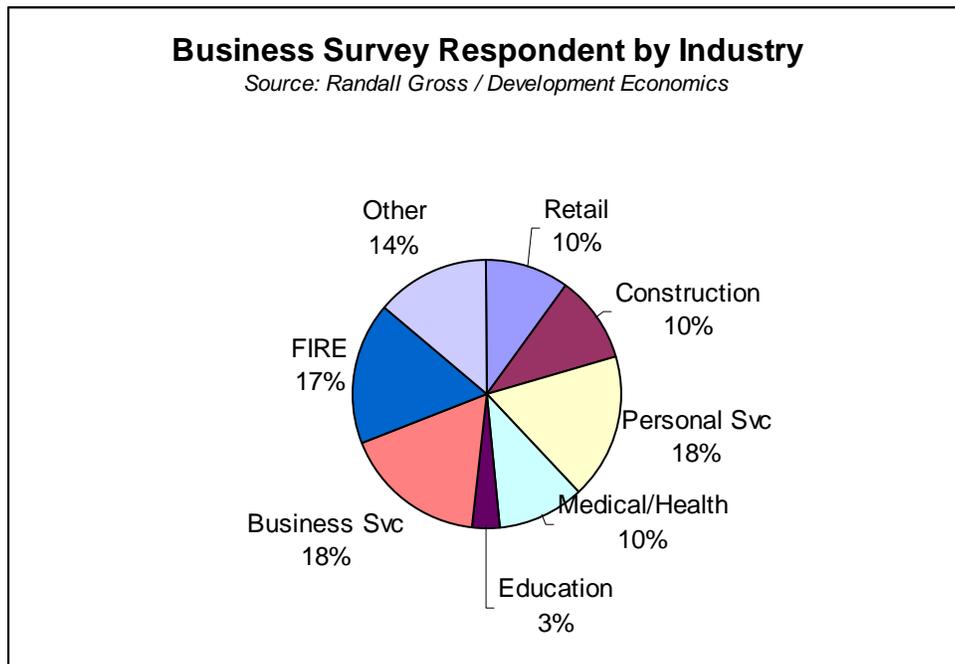
Table 19 2001 Median Wages – Selected Charles County Sectors

Retail	\$460
Services (existing)	\$464
Construction	\$689
Manufacturing	\$727
Government	\$794
All Industries	\$567

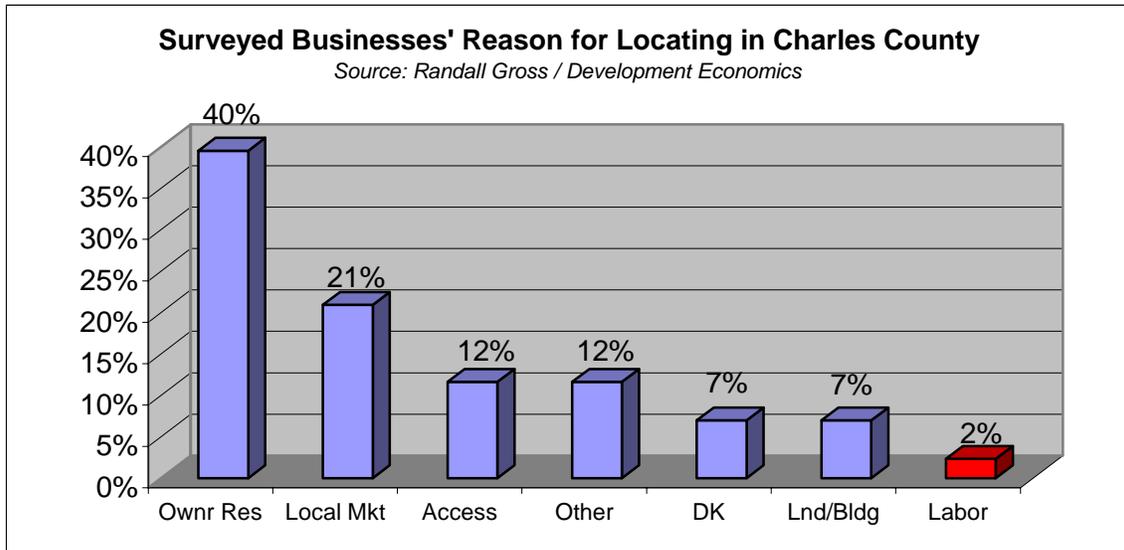
Source: Maryland Department of Labor

Appendix C Business Survey Results Summary

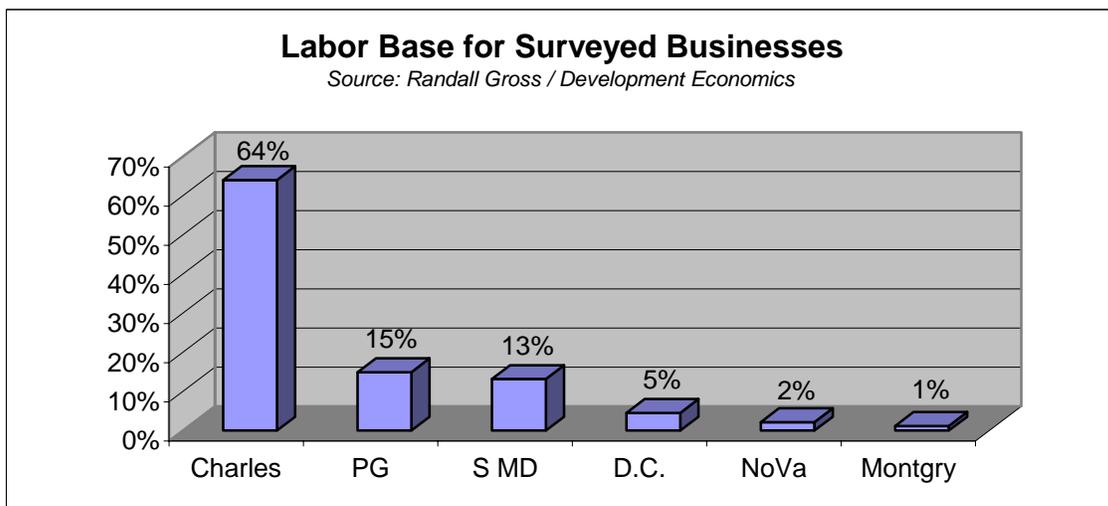
- 40 surveys returned
- 73% of respondents are locally-based companies, with an average 16 years in Charles County
- Respondents have an average 46 full-time employees and 33 part-time employees
- Wages: (average of all respondents)
 - o Starting: \$25,009
 - o Average: \$33,190
- Respondents representative of business base:



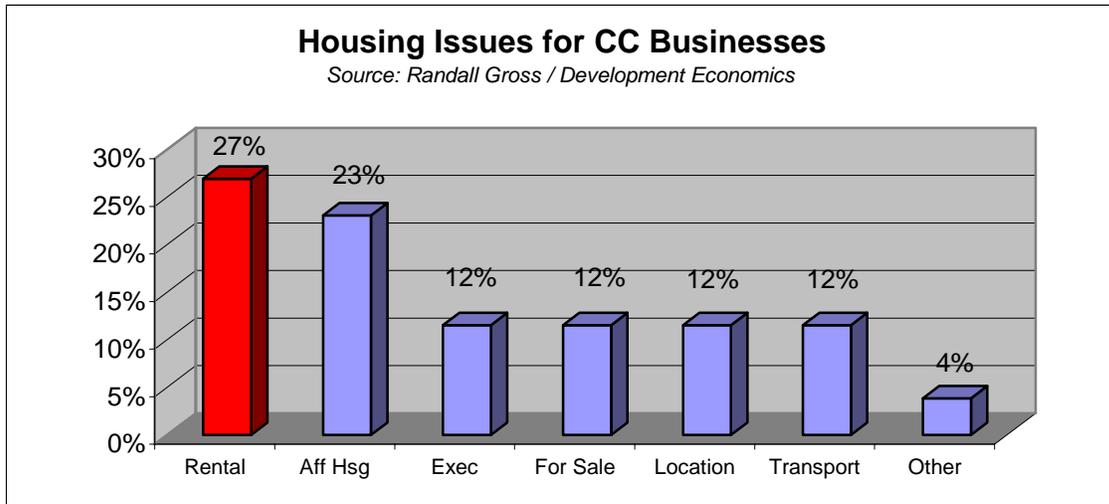
- Reasons businesses located in Charles County:
 - Most Important: Owner lives there. (Home-grown businesses)
 - Least Important: Labor force. (Implies the County's lack of a large, educated, and available labor force impacts on its ability to attract industry. This labor force issue may be traced, in part, to the lack of affordable housing. Thus, the survey only captures those businesses who are less likely to need access to a local labor force – another survey should contact those companies that chose NOT to locate in Charles County, to find out why).



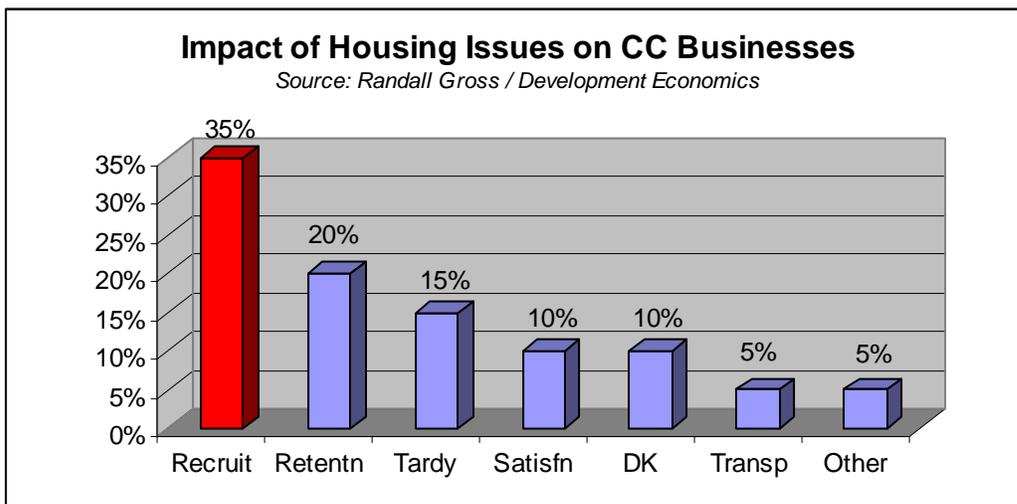
- Labor Base: 64% local, but many are home-grown businesses.
- In-commuters: 36% and growing



- Adequate housing: Is Charles County's housing adequate for the employer and their employees:
 - o Yes: 66% (Tend to be smaller, home-grown businesses)
 - o No: 33% (Tend to be larger employers)
- Why Charles County's housing is not adequate for one-third of surveyed businesses:
 - o Most important: Lack of available, high-quality rental housing
 - o Followed closely by: Lack of available, affordable housing



- What impact these housing issues have on CC businesses:
 - o Recruitment difficulties
 - o Retention difficulties
 - o Productivity issues relating to commutes



- County's housing policies
 - o 56% of businesses said County policies do *not* have a negative impact on economic development.
 - o 44% said County policies *are* having a negative impact. However, this includes both businesses that think existing policies are too restrictive as well as businesses that want the County to be even more restrictive than it already is.

- Business comments in *favor* of allowing more multi-family, higher-density, or affordable housing: (paraphrased)
 - o "Use higher densities to support desirable uses, walking, & mixed use. Integrate schools better into residential areas."
 - o "The County needs to allow more housing. Workers increasingly have to go to another county and to Virginia to find homes. We work mostly with women..."
 - o "Quality people need quality homes. There is a need for good quality, high-class homes & apartments with amenities."
 - o "The County needs to relax the regulatory (expletive) that they make developers go through. It makes housing prices higher..."
 - o "There is a lack of rental properties of any kind in the county. It is difficult for our employees to find any sort of rental housing option."
 - o "Disabled persons' salaries are not high enough to afford rents in this county. There is a waiting list for Section 8 and few are accessed for people with disabilities."
 - o "We need affordability, design/appearance guidelines; Private developers need to work with government on solutions."
 - o "More low-cost, affordable homes for people in Charles County."

- Business comments adverse or *against* allowing more housing; or against more multi-family, higher-density, or affordable housing: (paraphrased)
 - o "The County is allowing too much cheap, affordable housing, which is attracting undesirable people into the county."
 - o "I don't want multi-family housing or apartments complexes in Charles County."
 - o "The congestion of housing in Waldorf has caused crime and people avoiding business areas at night. We don't want La Plata to have the same problems."
 - o "Schools are over-flowing – improve the roads (Route 301)..."
 - o "Building more housing causes school overcrowding. No more homes until the schools can accommodate them."
 - o "Schools must be built to handle students from new development."
 - o "More restrictions are needed on small and multi-family housing. We have lower-income jobs because of a lack of high-end housing."

Dear Sir or Madam:

Re: Charles County Business Survey
Charles County Housing Issues

Charles County is updating its Community Development Housing Plan. The plan will provide recommendations for addressing current and future housing needs and development policy in the county.

As the consultants hired by the County to prepare the plan, Randall Gross / Development Economics and ERM are requesting input from businesses on several critical issues regarding the supply of housing in Charles County. We are requesting your input through a survey questionnaire, attached to this e-mail.

The Housing Plan is an important document that the County uses in identifying housing needs and setting policies and actions to address these needs. The current Community Development Housing Plan was adopted in 1994. Since that time, the County has added some 5,000 homes and adopted many new policies that have had a major impact on housing in the County.

The plan update offers the opportunity to reassess priorities in light of the experience of the last eight years, new data from the 2000 census, and changing economic and market conditions. Participation and input from private business is a vital part of the Community Development Housing Plan update process. We need to hear from you so that the plan reflects the business community's concerns as well as those of the general public.

Please take a few minutes to complete this two-page questionnaire and return it by February 28th to Randall Gross at Rangross@aol.com. If you have questions, please contact Mr. Lemuel Carpenter, Development Services Supervisor, at the Charles County Department of Community Services, at 301-934-0119, or e-mail CarpentL@govt.co.charles.md.us. Thank you.

Charles County Housing Plan **Business Survey**

Charles County is updating its Housing Plan. This plan will provide recommendations for addressing the current and future housing needs and development policy in the county. As the consultants hired by the County to prepare the plan, ERM and RG/DE are requesting input from businesses on several critical issues regarding the supply of housing in Charles County. Please take a few minutes to complete this two-page questionnaire and return it by December 31 to Randall Gross at Rangross@aol.com. If you have questions, please contact Mr. Lemuel Carpenter at the Charles County Department of Housing and Community Development, at 301-XXX-XXXX. Thank you.

1. Name of Company
2. Contact Name & Title
3. Location
4. Where is your company's home office?
5. What primary type of business is this? (Place "X" next to one of following)
 - a. Retail Trade
 - b. Wholesale Trade
 - c. Manufacturing
 - d. Construction / Contractor
 - e. Personal Service
 - f. Medical/Health Care Service
 - g. Education Service
 - h. Business Service
 - i. Finance, Insurance, or Real Estate
 - j. Agricultural/Fishing/Forestry/Mining
 - k. Transportation/Communication/Utility
 - l. Other (Specify) _____
6. How many years has your company been located in Charles County?
7. Why did your company locate in Charles County? (place "X" up to three)
 - a. Available / Low-cost land or building space
 - b. Available / Low-cost labor force
 - c. Good location for Distribution / Market Access
 - d. Growing Local Market / Demand for Product or Services
 - e. Owners live in Charles County
 - f. Other (specify) _____
 - g. Don't know
8. Number of company employees in Charles County:
 - a. Full-Time Salaries Employees:
 - b. Full-Time Wage Employees:
 - c. Part-Time Wage Employees:
9. Average & starting hourly wage for full-time company employees:

Randall Gross / Development Economics

- a. Full-Time Average Wage:
 - b. Full-Time Starting Wage:
 - c. Full-Time Average Salary:
 - d. Full-Time Starting Salary:
10. Where do your employees live? (Provide an estimate of the percent in each category below)
- a. Charles County: %
 - b. Other Southern Maryland %
 - c. Prince George's County: %
 - d. Montgomery County: %
 - e. Northern Virginia: %
 - f. Washington, DC: %
11. Have you and your employees found adequate housing within Charles County? (Place X): YES NO
- If NO, why? (Place "X" next to all that apply)
- a. Lack of executive housing
 - b. Lack of housing affordable to employees
 - c. Lack of high-quality rental housing
 - d. Lack of high-quality for-sale housing
 - e. Lack of housing in the right locations / near to this company
 - f. Lack of adequate public transportation from housing areas
 - g. Other (specify) _____
12. Has a lack of appropriate or affordable housing caused your company any problems with the following: (Place an X where applicable)
- a. Recruiting new employees
(specify which type(s))
 - b. Retaining existing employees
 - c. No-show or tardiness (due to long commutes)
 - d. Company expenses relating to provision of
 - i. Housing (such as company-paid subsidies)
 - ii. Transportation service
 - iii. Day care or other services
 - e. Low employee satisfaction
 - f. Other (specify) _____
13. Have the County's housing policies impacted negatively on economic development, in your opinion? YES NO
14. What other issues do you feel need to be addressed in the County's housing plan?

Thank you for your assistance!

Appendix D Direct Cost Estimate

Introduction

This report summarizes the types and level of potential direct costs that might be incurred by the County from the implementation of the Community Development Housing Plan. Costs were determined for each of the 39 actions recommended in the plan (see Table D-1). The costs have been organized in terms of the type of impact that they could have on the County budget, namely:

- a. Direct Services. Costs associated with the recommended provision of direct services required for programs and additional staffing.
- b. Capacity Building. Costs associated with the recommended provision and administration of grants and other capacity required to assist non-county primary service providers.
- c. Direct Fiscal Costs. Costs associated with the reduction of fees, the creation of exceptions, and the implementation of other financial incentives, as recommended to encourage growth in the supply of affordable housing. These direct fiscal costs are differentiated from the “indirect” fiscal impacts that might be tested in a “fiscal impact analysis”²⁹.

Main Findings

Only 20 of the 39 actions would generate a direct cost to the County Government. The remaining 19 actions either do not require significant additional resources to implement, or they would be funded from sources outside of the County’s budget. Some actions require a re-allocation of existing staff time for review and monitoring of policies or programs.

While costs were assigned to each of the 39 actions recommended in the plan, it is not expected either that every action would be funded, or that every action would be funded to the extent shown in the cost estimate. The estimates provide assistance to policy makers in deciding which actions to prioritize.

The one-time cost to County government for the actions with one-time costs is approximately \$395,000 for Direct Services and \$830,000 for Capacity Building. These costs are primarily for provision of additional emergency shelter beds, capitalization of a housing trust fund, implementation of existing plans, and further studies. Some of the one-time costs are investments expected to leverage further funding from other sources to benefit housing in the County. Such benefits could be in the millions of dollars, but are not accounted for in this *direct* cost estimate.

Annual costs are \$170,000 for Direct Services, \$435,000 for Capacity Building, and \$1.9 million in fiscal costs. The fiscal costs are mostly driven by three actions: exempting some types of development from the excise tax; reducing or eliminating hookup fees for water and sewer, and a County supplement for the Maryland mortgage program in neighborhoods where the high renter occupancy rate is having a destabilizing effect.

Program Services

The total one-time cost attributed to delivery of programs and services recommended in the Housing Plan is \$396,500. About one-third of this cost relates to capitalization of a local housing trust fund. Other one-time costs relate to implementation of the Heathcote Road and Nanjemoy revitalization plans.

²⁹ A fiscal impact analysis determines the overall costs and benefits of development generated through programs and incentives such as those included in the housing plan, including the impacts of recommended regulatory changes.

Total annual costs for delivery of programs and services would be \$171,000. This cost includes \$135,500 relating to ensuring the health of existing communities, including personnel to staff a housing-related grants office in the Department of Community Services that would seek foundation grants, corporate sponsorships, and other funding from outside of Charles County government. The cost of operating this office properly could exceed \$50,000, but the return on this investment can be significant. A successful grants and fundraising office should regularly leverage millions in cash and in-kind contributions from public (non-County) and private sources.

Capacity Building

Approximately \$832,000 would be required for one-time costs, mostly for enhancing the capacity of non-profit housing developers and for additional emergency shelter beds. Annual costs would be approximately \$436,000. More than one-half of this would be Community Development Block Grants (CDBG) or other grant funding aimed at enhancing the capacity of non-profit housing developers. Other annual/ongoing funding would mainly help strengthen the health of existing communities through homeownership programs. The capacity building programs would primarily help non-profit service providers leverage other housing resources in order to target housing for families in the \$15,000 to \$35,000 range, or for creation of emergency and special needs housing for households with incomes below \$15,000.

Direct Fiscal Costs

Fiscal costs would vary depending on how aggressively the County pursues the goals of increasing the supply of housing affordable to residents at different income groups.

The fiscal costs are mostly driven by three actions: exempting some types of development from the excise tax; reducing or eliminating hookup fees for water and sewer, and a County supplement for the Maryland mortgage program in neighborhoods where the high renter occupancy rate is having a destabilizing effect.

The actions with fiscal costs are targeted mostly to households earning incomes in the \$30,000 to \$50,000 range, which include many young professionals and working families that currently have difficulty finding housing that they can afford. Based on the forecasts in the Housing Plan, these programs would help up to 4,000 households in this income range within 20 years from implementation of the plan, or about 200 households per year on average.

The distribution of the incentives is oriented to the Plan's objectives for creation of housing by type – single-family detached, multi-family, and single-family attached, over the 20-year planning period. In order to ensure that these objectives are met for the target income groups, for example, 50 percent of the excise tax exemptions should assist purchasers of single-family homes, 14 percent assist multi-family renters, and 36 percent assist purchasers of townhouse units.

Approximately \$1.45 million in annual costs are attributed to exemption programs (excise tax and water/sewer hookup fee). The estimate assumes that 50 percent of households within the \$35,000 to \$50,000 income range would take advantage of the programs. It is quite likely that a smaller share of eligible households would elect to use the incentive, in which case the cost would be lower. Various alternatives could be designed at lower cost to the County, but with a lower impact on housing cost. Importantly, while the County loses income due to excise tax exemptions in the short run, the County stands to *gain in the long-term* because there would be *more* homeowners paying property taxes. This positive gain is not measured against the loss in excise tax or fees as part of this analysis.

An additional \$370,000 cost is associated with a property tax abatement or other program targeted to homeownership in high renter-occupancy areas and in target geographic areas like Nanjemoy. This amount would generate an incentive for 15 percent of households within the \$30,000 to \$50,000 income range in the County. Once the high-occupancy areas are clearly defined, this target group may be significantly smaller. Thus, the cost could end up being lower.

Most of these direct fiscal incentives clearly target the working population most in need of affordable homeownership opportunities within the County. By comparison, CDBG and other grant programs and incentives for developers target housing for special needs and moderate-income groups. Thus, the Housing Plan if implemented helps meet objectives to broaden housing opportunities for working people and special needs populations most at risk in Charles County.

Table D-1 Charles County Community Development Housing Plan, Direct Cost Estimate Summary, April 2004							
See pages 3 and 4 for explanatory notes							
	Action	a. Direct Services for Programs and Staffing		b. Capacity Building:		c. Direct Fiscal Costs	
		Annual/Ongoing	One-time	Annual/Ongoing	One-time	Annual/Ongoing	One-time
Goal 1	Increase the supply of housing that is affordable to residents at different income level	\$ -	\$ 250,000	\$ 233,700	\$ 100,000	\$ 1,459,500	\$ -
<i>Policy 1A</i>	<i>Promote the creation of attached and multi-family dwelling developments. Increase the supply of single-family attached dwellings and multi-family dwellings to meet Charles County's Comprehensive Plan housing unit mix objective.</i>						
Actions							
i.	Zone more land for attached and multi-family dwellings	No direct costs to Charles County					
ii.	Review the school allocation policies under the County's growth management Adequate Public Facility regulations	No direct costs to Charles County					
iii.	Target the mixed-use areas in the Bryans Road and Waldorf Sub-Area plans to create opportunities for attached and multi family dwellings.	No direct costs to Charles County					
<i>Policy 1B</i>	<i>Reduce the cost of developing affordable housing</i>						
Actions							
i.	Increase permissible development densities in selected parts of the County.	No direct costs to Charles County					
ii.	Increase height limits in selected parts of the County.	No direct costs to Charles County					
iii.	Increase the number of exemptions that can be granted to the County's minimum size and facade requirements for single family homes	No direct costs to Charles County					
iv.	Consider exempting some types of development from the excise tax					\$ 867,900	
v.	Reduce or eliminate the cost of hookup fees for water and sewer for some types of development.					\$ 591,600	
<i>Policy 1C</i>	<i>Encourage the inclusion of affordable housing in market-rate housing developments (Moderately Priced Dwelling Units, MPDUs)</i>						
Actions							
i.	Reserve a percentage of school capacity allocations for projects with affordable housing	No direct costs to Charles County					
ii.	Revise the density bonus provisions of the MPDU program	No direct costs to Charles County					
iii.	Permit exemptions to the excise tax and sewer and water hookup fees for MPDUs.	No direct costs to Charles County					
<i>Policy 1D</i>	<i>Support the development of projects with affordable housing</i>						
Actions							
i.	Enhance the capacity of the non-profit housing developers in the County.			\$ 233,700	\$ 100,000		
ii.	Initiate more active participation by the Housing Commission in assisting the development of affordable housing including creation of a local Housing Trust Fund.		\$ 250,000				
<i>Policy 1E</i>	<i>Broaden the diversity of well-designed housing product types in Charles County</i>						
Actions							
i.	Support and promote the development of different types of housing product.	No direct costs to Charles County					
ii.	Become familiar with and participate in the future further development of the County's Architectural and Site Design Guidelines and Standards for residential development	See Policy 1Ei					
iii.	Promote new developments with good design.	See Policy 1Ei					
Goal 2	Increase the number of housing units in Charles County available for renter occupancy	\$ 28,000	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Policy 2A</i>	<i>Encourage a change in the number of renter occupied units from the 2000 rate of 22 percent to the 1990 rate of 24 percent.</i>						
Actions							
i.	Promote the creation of attached and multi-family dwellings	No direct costs to Charles County					
ii.	Publicize the accessory apartment provisions of the zoning ordinance	\$ 8,000					
iii.	Conduct a rental survey.	\$ 20,000					
Goal 3	Provide for the housing needs of special populations including the low and very low-income, seniors, homeless, and disabled populations	\$ 2,500	\$ 4,000	\$ 64,600	\$ 699,605	\$ -	\$ -
Actions							
i.	Pursue the policies and actions under the other goals in this Plan.	No direct costs to Charles County					
ii.	Monitor the housing needs of these special populations	No direct costs to Charles County					
iii.	Provide additional emergency shelter beds.			\$ 64,600	\$ 695,605		
iv.	Continue to pursue programs that can assist these populations: Settlement Expense Loan Program; Maryland Mortgage Program; Rehabilitation Loan Programs; Expanded transit services; Homebuying and credit counseling; Rent-to-own, property tax credit progra	SEE POLICY 1D					
v.	Review the effectiveness of current agency referral systems		\$ 4,000		\$ 4,000		
vi.	Monitor fair housing practices in Charles County	No direct costs to Charles County					
vii.	Sponsor a housing summit on the needs of one or more of the special population groups	\$ 2,500					

Table D-1 Charles County Community Development Housing Plan, Direct Cost Estimate Summary, April 2004							
See pages 3 and 4 for explanatory notes							
	Action	a. Direct Services for Programs and Staffing		b. Capacity Building:		c. Direct Fiscal Costs	
		Annual/Ongoing	One-time	Annual/Ongoing	One-time	Annual/Ongoing	One-time
Goal 4	Ensure the health and stability of existing neighborhoods and communities	\$ 135,500	\$ 137,500	\$ 138,000	\$ 32,500	\$ 476,100	\$ -
<i>Policy 4A</i>	<i>Address the needs of at-risk neighborhoods and communities</i>						
Actions							
i.	Help implement and monitor implementation of the Heathcote Road Community Legacy Plan (2003).	\$ 28,000	\$ 98,500				
ii.	Help implement and monitor implementation of the Nanjemoy Housing Task Force recommendations.	See Policy 4A (iv)	\$ 5,000		\$ 17,500		
iii.	Prepare comprehensive neighborhood revitalization plans for other communities using the Heathcote Road Community Legacy plan as a model.		\$ 30,000				
iv.	Encourage homeownership in neighborhoods where the high renter occupancy rate is having a destabilizing effect.	SEE POLICY 1D		\$ 130,000		\$ 374,100	
v.	Continue to develop support services such as community centers, family support centers, and Judy Centers.			EXISTING			
vi.	Seek grants from foundations and large corporate givers to assist with community revitalization	\$ 55,000	\$ 4,000				
<i>Policy 4B</i>	<i>Reduce the numbers of physically substandard housing units in the County</i>						
i.	Work with and support organizations such as Christmas in April that upgrade substandard units	No direct costs to Charles County		\$ -			
ii.	Provide an additional Loan Processor position within the Department of Community Services to expand participation in programs targeted to substandard units.	\$ 35,000					
iii.	Strengthen enforcement of the livability code	\$ 17,500					
iv.	Explore incentives such as tax credits for rental property owners who install indoor plumbing.					\$ 90,000	
<i>Policy 4C</i>	<i>Improve Homeowners' Associations abilities to address the problems that occur in operating and maintaining common ownership communities</i>						
Actions							
i.	Follow up on the recommendations of the 2000 Homeowners' Association Task Force. (Improving HOA's ability to raise revenue, transferring ownership of some HOA-owned facilities to Charles County, education for HOA officers, and providing for streamlined methods of dispute resolution and enforcement of covenants.)	\$ -	\$ -	\$ 8,000	\$ 15,000	\$ 12,000	
Goal 5	Raise awareness for housing issues in the County	\$ 5,000	\$ 5,000	\$ -	\$ -	\$ -	\$ -
Actions							
i.	Hold an annual Housing Commission Housing Summit.	\$ 5,000		\$ -	\$ -		
ii.	Promote public education for housing issues.	\$ -	\$ 5,000				
TOTAL		\$ 171,000	\$ 396,500	\$ 436,300	\$ 832,105	\$ 1,935,600	\$ -

Charles County Community Development Housing Plan, Direct Cost Estimate Summary, April 2004 (with notes)	
	NOTES
Goal 1	
<i>Policy 1A</i>	
Actions	
i.	Regulatory - County Staff
ii.	Regulatory - County Staff
iii.	Regulatory - County Staff
<i>Policy 1B</i>	
Actions	
i.	Regulatory - County staff. Fiscal is a market replacement question - No answer w/out market analysis
ii.	Regulatory - County staff. Fiscal is a market replacement question - No answer w/out market analysis
iii.	Regulatory - County staff. Fiscal is a market replacement question - No answer w/out market analysis
iv.	Provides need-based 50% excise tax exemption for 100% of target projected households with incomes of \$35,000 to \$50,000 (Plan Table 4-1). A total of almost 4,000 households would receive the expemption over a 20-year period (or about 200 per year on average). This number was disaggregated further to meet the Plan objectives by type of housing unit. As a result, 50% of the exemptions would go to Single-Family, 14% to Multi-Family, and 36% to Townhouses. The Exemption Program Slows/Ends when Goals are met.
v.	Provides need-based 50% utility hook-up fee exemption for 100% of target projected households with incomes of \$35,000 to \$50,000. A total of almost 4,000 households would receive the expemption over a 20-year period (or about 200 per year on average). This number was disaggregated further to meet the Plan objectives by type of housing unit. As a result, 50% of the exemptions would go to Single-Family, 14% to Multi-Family, and 36% to Townhouses. The Program Slows/Ends when Goals are met.
<i>Policy 1C</i>	
Actions	
i.	Regulatory. No direct cost
ii.	Regulatory. County staff.
iii.	See Above for Excise Tax and water/sewer hookup fees for moderately-priced units. Alternative program that achieves same goals. More direct and effective in creating new housing, but only if the program is used. Can also provide a mix of the two programs.
<i>Policy 1D</i>	
Actions	
i.	Assumes County will apply CDBG funds to community development organizations engaged in increasing the supply of affordable for-sale and rental housing (especially to leverage federal tax credits) for up to 50% of forecasted need for households with incomes of \$15,000 to \$35,000. A total of over 4,000 households would benefit from the funding over 20 years, or 200 per year. Initial \$100,000 capacity building grant & assistance for start-up / expansion of housing providers. Total annual CDBG grant based on average per unit CDBG grants given in County in last ten years. County cost is based on County providing matching grants @ 10% of the total CDBG grant amount. The grant funds would be distributed based on objectives for expanding the supply of affordable housing, by type of unit, with a resulting allocation of 12% Single-family, 20% Multi-family, and 20% townhouse.
ii.	\$250,000 capitalization of fund to leverage private participation and for land purchase, etc.
<i>Policy 1E</i>	
Actions	
i.	See Goal 5
ii.	Same
iii.	Same
Goal 2	
<i>Policy 2A</i>	
Actions	
i.	Regulatory. Fiscal related costs would accrue through County assistance to the housing provider itself. (See Policy 1D)
ii.	Staff time, publication
iii.	Annual cost, but can be done every two years. Regulatory, consistency, and comprehensiveness is important.
Goal 3	
<i>Actions</i>	
i.	See other policies.
ii.	Ongoing. County staff.
iii.	Service organizations would operate such facilities as they are best equipped to provide for emergency needs. County contribution based on additional bed requirement (80 beds) and cost per bed (\$800 per year based on actual expenditures at comparable facilities), provided as an annual operating grant. The county would also contribute to the cost of construction, estimated at \$8,700 per bed, based on actual County expenditures at Fuller House.
iv.	See Policy 1D
v.	Contract assessment of referral systems (Internal and inter-agency) and recommended delivery system. Possibe foundation grant source.
vi.	County staff, working with service providers.
vii.	Expenses relating to outreach and administration.
Goal 4	

