

A nighttime photograph of a waterfront city, likely Prince George's County, MD. The scene is illuminated by city lights and a large, brightly lit Ferris wheel on the right. The sky is a deep blue, and the water in the foreground reflects the lights. The text is overlaid on the upper portion of the image.

Housing Opportunity for All

Overview of the County's Comprehensive Housing Strategy (CHS)

March 19, 2019
Prince George's County, MD

Presentation overview

Prince George's County Comprehensive Housing Strategy

3/19/2019

- Overview of *Housing Opportunity for All*
- Snapshot of the local housing market
- Priority actions for shorter-term implementation
- Next steps

About Enterprise

We're one of the only social enterprises in the U.S. with deep expertise in each of the three catalysts for systems change:

Capital.

Enterprise is a recognized leader in socially driven capital investment, having created nearly 529,000 homes and delivered more than \$36 billion to communities across the U.S.

Solutions.

We work with local partners to test and scale new solutions to some of the most pressing housing and economic problems facing low-income communities.

Policy.

Enterprise is a crucial voice for America's low-income communities with a strong presence in Washington, D.C., state capitals, and city halls across the country.

Project team



**Lisa Sturtevant
& Associates**



Process overview

Comprehensive Housing Strategy

Phase 1

Existing & future conditions analysis
June 2017 – March 2018

Phase 2

Development of principles, goals, & targets
March 2018 – May 2018

Phase 3

Strategy development & delivery
May 2018 – December 2018

Ongoing public & stakeholder engagement
Ongoing



Housing needs survey



Focus groups and interviews



Programs and policies assessment



Housing needs and market analysis



Communications

Stakeholder engagement

Key stakeholder engagement activities included:

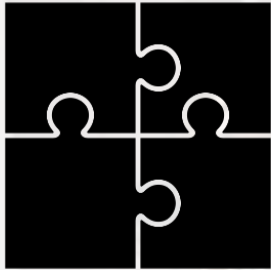
- ❑ 4 public meetings
- ❑ 8 focus groups
- ❑ 20+ County staff and stakeholder interviews
- ❑ Surveys
 - Online in-commuter survey
 - Telephone survey of current residents
- ❑ Bimonthly meetings with the Advisory Group
- ❑ Briefings with Ad Hoc Subcommittee
- ❑ CHS Communications Toolkit

Goals

***Housing Opportunity for All* will accomplish the following goals:**

- **Support existing residents**, including long-time residents, seniors, and residents at-risk of displacement
- **Attract new residents**, including millennials, families, employers, and developers
- **Build on strategic investments & submarket conditions**, including TOD areas like the Purple Line Corridor, areas around other strategic investments, TNI areas, and Opportunity Zones

Guiding principles



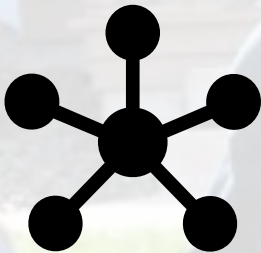
Comprehensive



Market-Informed



Inclusive



**Connected to
Opportunity**



Asset-Based



**Coordinated
and Transparent**

Two types of strategies

Prince George's County will implement two types of strategies over the next 10 years:

1

Cross-cutting strategies to build the capacity needed to implement *Housing Opportunity for All*

- Enhance policies and incentives for housing development.
- Increase collaboration, coordination, and transparency.
- Expand funding and diversify financing mechanisms.

2

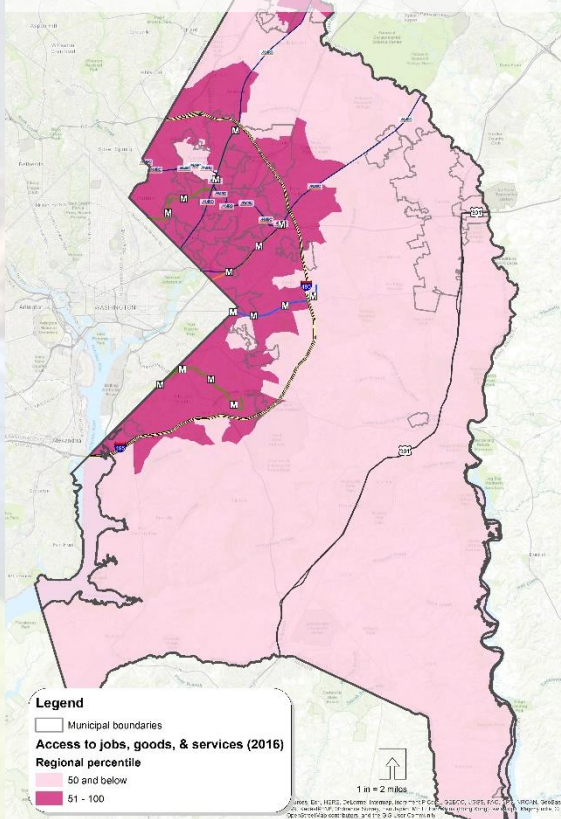
Targeted strategies, which will address specific housing needs and market conditions throughout Prince George's County

- Encourage new, context-sensitive development that expands housing types.
- Improve the quality of the County's existing housing supply.
- Build stronger economic opportunity and revitalize neighborhoods.

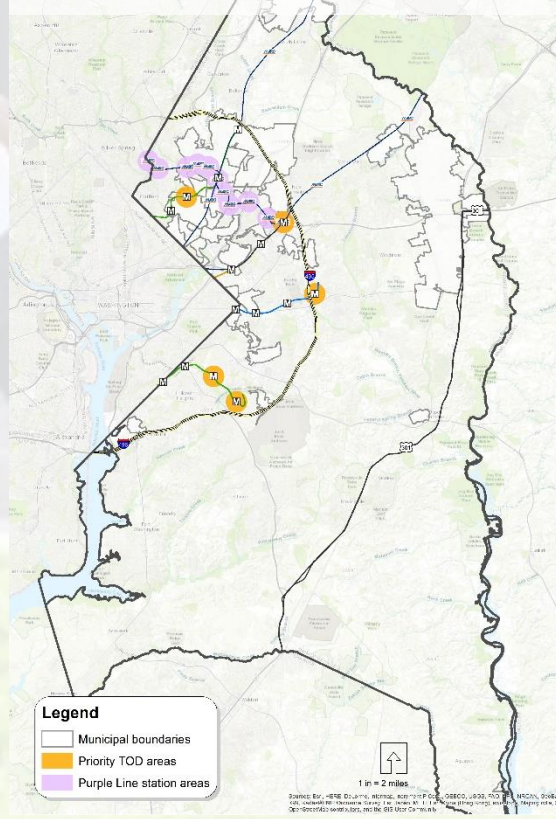
Targeting resources to drive impact

**Many actions will be implemented countywide.
Some actions are implemented in a more targeted way.**

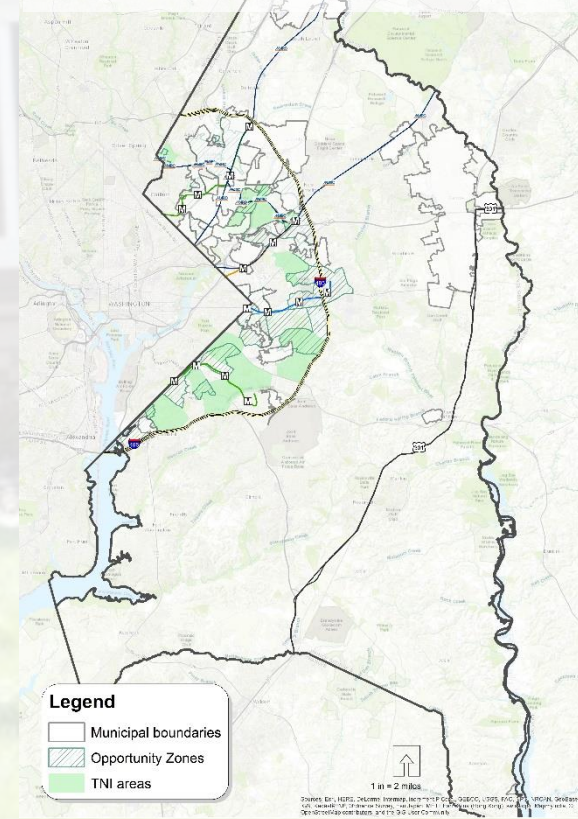
Access to jobs, goods & services



TOD areas



TNI areas & Opportunity Zones



Connections with other initiatives

Housing Opportunity for All builds on years of progress, including past and ongoing planning efforts and initiatives.

Plan 2035

Zoning rewrite

Affordable
Housing
Commission

Purple Line
Corridor Coalition

Economic
development
initiatives

Supporting
seniors

Collaboration with
the State of
Maryland (e.g.,
NCSED, AHC)

Snapshot of the local housing market

Changing demographics, changing demand

Prince George's County Comprehensive Housing Strategy

3/19/2019



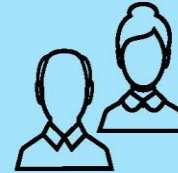
TOTAL POPULATION

POPULATION GROWTH (2010-2015):

+3% | 29,000+ new county residents

PROJECTED POPULATION (2030):

950,000+ county residents



SENIORS (AGED 65+)

CHANGE IN SENIORS (2010-2015):

+11%

COUNTY'S TOTAL SENIOR POPULATION (2015):

37%

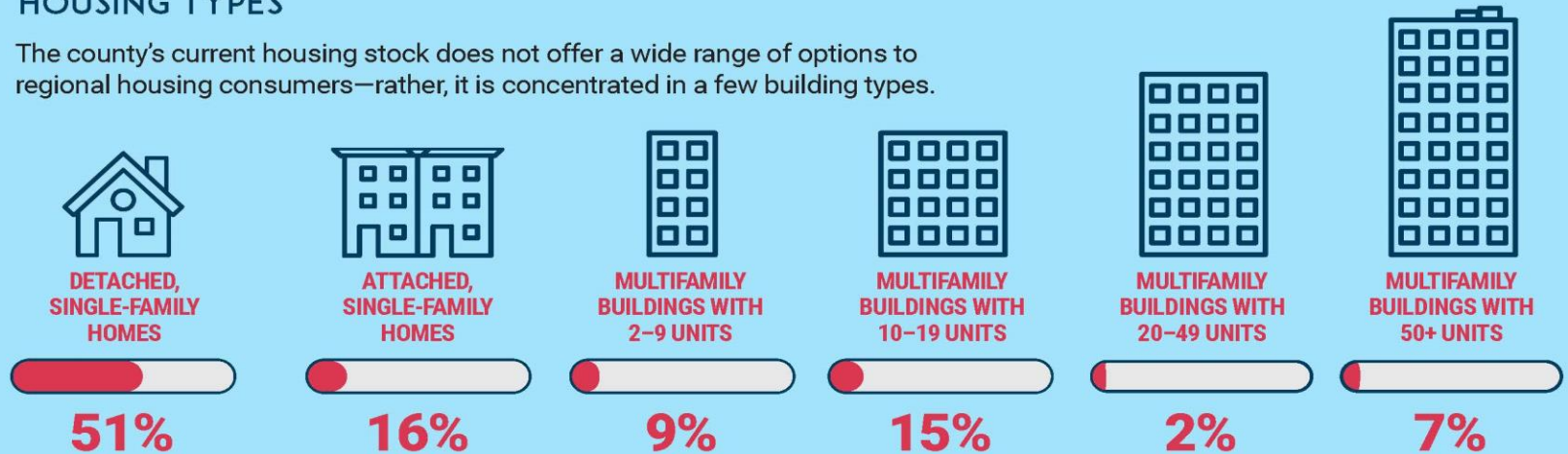
- **What demographic changes are driving demand?**
 - ❑ More seniors
 - ❑ Smaller and larger households
 - ❑ Anticipated growth
 - ❑ Demand for neighborhoods with amenities and resources

Current housing supply

Prince George's County Comprehensive Housing Strategy

HOUSING TYPES

The county's current housing stock does not offer a wide range of options to regional housing consumers—rather, it is concentrated in a few building types.



- **What types of housing are common within the County today?**
 - ❑ Single-family, detached homes
 - ❑ Multifamily apartment buildings (5+ units)
 - ❑ Larger apartments (4+ bedrooms)

Changing, varied market conditions

HOUSING COSTS: 2000-2015



+29%
MEDIAN RENT

=

\$1,294
MEDIAN RENT



+30%
MEDIAN HOME VALUE

=

\$254,700
MEDIAN HOME VALUE



-1%
MEDIAN INCOME

=

\$74,260
MEDIAN INCOME



URBAN

\$211,507
Median Home Value

\$1,288
Median Rent



SUBURBAN

\$276,378
Median Home Value

\$1,736
Median Rent



RURAL

\$314,257
Median Home Value

\$1,655
Median Rent



- **How are market conditions changing within the county?**
 - Higher rents & home values, lagging income growth countywide
 - Stronger market conditions in rural subarea
 - Weaker market conditions in urban subarea

Priority actions for shorter-term implementation

Increase the County's Housing Investment Trust Fund (HITF).

WHY?

- Gaps in the current housing supply
 - Demand at varied price points
 - Demand for different types of housing
- Capitalize on place-based market opportunities
- Expiring contracts at federally assisted properties
- Aging housing stock

WHERE?

- Countywide
- Place-based priorities, if created, should align with other local geographic priorities.

WHO?

- Low-income and workforce households
- Persons experiencing homelessness
- Seniors
- Persons with disabilities

SUPPORTIVE TOOLS

- **Financing:**
 - **Federal:** Section 108, HOME, CDBG, Housing Trust Fund, USDA Rural Housing
 - **State:** Low-Income Housing Tax Credit
 - **Local:** PACE, parking revenue, value capture revenue, PILOT
- **Policies:** Inclusionary housing, right-of-first refusal
- **Program:** Housing Production Program

Snapshot of regional housing resources

JURSDICTION	TOTAL POPULATION	TOTAL OPERATING BUDGET	LOCAL HOUSING TRUST FUND	LOCAL RENTAL ASSISTANCE
Prince George's County, MD	892,816	\$4.1 billion	\$5.1 million	N/A
Montgomery County, MD	1 million+	\$5.6 billion	\$42.8 million	\$14.7 million
Fairfax, VA	1 million+	\$8.0 billion	\$18 million	N/A
Arlington, VA	223,945	\$1.0 billion	\$14.3 million	\$8.7 million
District of Columbia	647,484	\$15.2 billion	\$100 million (production) \$10 million (preservation)	\$15.4 million

Notes: All amounts are for FY19. "Total operating budget" reflects total authorized expenditures. "Local housing trust fund" generally include a blend of local appropriations and/or dedicated revenue; developer contributions and repayments; and some level of federal funding, such as HOME. Local rent subsidy program does not include federally funded vouchers. Population estimates via 2011-2015 American Community Survey 5-Year Estimates.

Meeting current and future housing demand

Prince George's County Comprehensive Housing Strategy

The County needs to invest \$82 million annually to meet current and future housing demand and ensure no existing subsidized units are lost through 2028.

ANNUAL INVESTMENT

HOUSEHOLDS SERVED



■ Production
■ Preservation

Collaborate with the State of Maryland to identify additional resources.

WHY?

- New opportunities through federal or state designations
- Increased local capacity to use state resources
- Need for additional support to capitalize on TOD areas
- Aging housing stock & existing housing quality concerns
- Limited financing to meet current and future demand

WHERE?

- Countywide
- Place-based priorities, if created, should align with new or redesigned programs.

WHO?

- Local and regional developers
- Low-income and workforce households
- Persons experiencing homelessness or another housing crisis

SUPPORTIVE TOOLS

- **Financing:**
 - **Federal:** USDA Rural Housing
 - **State:** Low-Income Housing Tax Credit, NCSED
- **Policies:**
 - **State:** TOD and Sustainable Communities designations
- **Programs:**
 - **Federal:** Section 4, Opportunity Zones
 - **State:** Project C.O.R.E.

Key connections with NCSED

- **Provides strong backing for more state funding through programs like NCSED.**
 - *Housing Opportunity for All* makes a strong case for dedicating more financial resources to support housing issues throughout Prince George's County.
- **Strengthens opportunities to leverage investments to support housing.**
 - *Housing Opportunity for All* includes several key actions that make NCSED more effective in Prince George's County.

Apply for Section 108 Loan Guarantee Funds to support mixed-income & mixed-use development.

WHY?

- Regional demand for mixed-income & mixed-use projects
- Varied access to opportunity and market conditions
- Opportunity for flexible, lower-cost financing
- Untapped federal resource

WHERE?

- Countywide
- Place-based priorities, if created, should align with other local geographic priorities.

WHO?

- Low-income and workforce households
- Local and regional developers
- Local small-business owners
- Large-scale employers

SUPPORTIVE TOOLS

- **Financing:**
 - **Federal:** CDBG, Section 108, HOME
 - **Local:** HITF, EDI Fund
- **Policies:**
 - **State:** Sustainable Communities designation
 - **Local:** Inclusionary housing
- **Programs:**
 - **Federal:** NRSA designation

Keys to administering Section 108

- Ensure projects financed with Section 108 support priorities and actions in *Housing Opportunity for All*.
- Establish the necessary administrative systems to ensure viability of projects, compliance with program requirements, and loan repayment.
- Minimize risks by leveraging additional resources.
 - On average, \$1 of every Section 108 funding leverages \$5 in private capital.
- Fund catalytic housing and economic development activities.
- Target existing pipeline projects in need of financing.

Establish stronger, market-informed inclusionary housing requirements.

WHY?

- Varied access to opportunity and market conditions
- Higher housing costs and cost-burdens as barriers
- Need for high-quality rental units for lower income households

WHERE?

- Areas with stronger access to opportunity
- Areas with stronger housing market conditions
- Areas experiencing growth
- TOD areas (like along the Purple Line)

WHO?

- Low-income and workforce households
- Local and regional developers
- Large-scale employers

SUPPORTIVE TOOLS

- **Financing:**
 - **Federal:** Section 108, USDA Rural Housing
 - **Local:** HITF, PILOT, EDI Fund, PACE
- **Policies:**
 - **Local:** Public land disposition, deferred land sales price, expedited permitting
- **Programs:**
 - **Local:** Housing Production Program, Pathways to Purchase

Regional example: Inclusionary zoning | Fairfax County, VA

Prince George's County Comprehensive Housing Strategy

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INCLUSIONARY ZONING in Fairfax County, VA

HOW IS THIS STRATEGY IMPLEMENTED OR USED?

Developers are required to set aside a share of units for low-income households in exchange for a density bonus.

- Applies to all residential properties requiring County approvals
- Payment (or land donation) in lieu may be granted
- Affordability period of 30 years, with possibility of permanent extension

WHAT LOCAL CONDITIONS IS IT ADDRESSING?

- Limited affordable rental and for-sale options
- Varying character & markets throughout the county

WHAT ARE THE RESULTS?

- 2,448 affordable units from 1992 to 2011

WHY IS THIS AN EFFECTIVE TOOL?

- Adapts to market conditions (unit requirement is calculated on a sliding scale based on density)
- Mandatory element ensures affordable unit construction, while additional density eases burden on developers
- Helps spread affordable units throughout the county

RELEVANCE TO PRINCE GEORGE'S COUNTY

- Zoning re-write
- *Plan 2035* goals & growth areas
- Differing market conditions throughout the county
- Housing shortages at different income levels

NATIONAL BEST PRACTICES

- Transparent requirements & processes
- Targeting specific market conditions
- Regular revision of policy with stakeholder feedback

Create a land bank to support redevelopment of abandoned residential properties.

WHY?

- Vacant and abandoned property
- Gaps in the current supply of housing
 - Demand at varied price points
 - Demand for different types of housing
- Supportive of broader redevelopment/revitalization efforts

WHERE?

- TNI areas
- Areas with large inventories of vacant/abandoned property
- Areas with lower-than-average home values
- Areas with weaker social capital

WHO?

- All county residents
- Residents of neighborhoods with large inventories of vacant and/or abandoned properties

SUPPORTIVE TOOLS

- **Financing:**
 - **Federal:** CDBG, HOME
 - **Local:** HITF, parking revenue
- **Policies:**
 - **Local:** Public land disposition, right-of-first refusal
- **Programs:**
 - **Local:** Land inventory, code enforcement

Leveraging a land bank

■ Opportunities to:

- ❑ Increase local capacity to receive, acquire, and dispose of blighted properties.
- ❑ Support proactive approaches to repurposing obsolete or underutilized properties into new projects.
- ❑ Provide mechanism for strategic demolition of blighted properties.
- ❑ Facilitate preservation of affordable housing in communities inside the Beltway.
- ❑ Leverage existing and potential new funding sources (e.g. TNI, Sustainable Communities, NCSED).

Next steps

Next steps

County Council will play an important role in launching the implementation phase of *Housing Opportunity for All* by:

- Establishing a workgroup to lead implementation of *Housing Opportunity for All* and clearly defining the charge of that workgroup.
- Ensuring sufficient resources (e.g., funding, staffing, partnerships, etc.) to begin implementation of shorter-term actions.
- Promoting ongoing communication and messaging about *Housing Opportunity for All*.

Examples of implementation tools

Arlington, VA

HOUSING COMMISSION

- Council-appointed, citizen advisory group
- Advises the County Board on housing policy issues and funding allocations to implement its Housing Master Plan

Fairfax, VA

HOUSING BLUEPRINT

- Sets annual housing priorities for funding, programs, and policies
- Collaborators include: Affordable Housing Advisory Committee, Redevelopment and Housing Authority, Continuum of Care, Community Services Board, and Disability Services Board

Germantown, TN

STRATEGIC PLAN IMPLEMENTATION REPORTS

- Quarterly strategic plan implementation reports summarize key metrics, activities, and barriers
- Prepared by department directors and shared with City Administrator
- Metrics published in an online dashboard

Washington, MN

STRATEGIC PLAN IMPLEMENTATION TEAMS

- Formed implementation teams around strategy focus areas in its strategic plan
- Each team is charged with advising elected leaders on the details needed to move each action forward

Questions?

Housing Opportunity for All

[Full strategy available here](#) (click link).

[Visit the project page for other materials](#) (click link).