

Chapter Thirteen:

Housing

Chapter 13: Housing

Goal

Provide for a wide range of housing types, density, and affordability that is well maintained and will meet the needs of the entire community

The Significance to Carroll County

Shelter is a primary need in every community. As Carroll County continues to develop and grow in population, the housing stock must keep pace with demand or the increased demand will drive up housing prices. But keeping up with demand is not the only concern. To support a larger resident population and economic growth, adequate housing must be provided that meets the needs of a diverse population in terms of differing income levels, preferences for single- and multi-family arrangements, and options to purchase or rent.

In 1991, Carroll County commissioned a housing study to assess housing needs in the County. The Carroll County Housing Study was completed in 1992 by Legg Mason and identified several trends in the County. New housing construction is improving the overall quality of the County's housing stock. However, as growth has continued to occur, the housing supply has not kept pace with the growth in the number of households, and many lower-priced rental units have been demolished or converted to other uses. Housing prices and rents have consequently increased while vacancy levels have declined. This has reduced housing choices for households with low and moderate incomes and forced many households to pay a larger portion of their income for adequate housing. According to the 1990 Census, 1 out of 3 renters paid more than 30 percent of their income towards housing, while 1 out of 5 homeowners paid more than 30 percent towards housing. Thirty percent is considered to be the maximum portion of a household's income that should be directed towards housing.

Many of the new residents moving into the County are employed in higher-salary positions elsewhere in the Baltimore or Washington metropolitan areas. They find housing in Carroll County affordable and attractive by metropolitan standards. The median household income for County residents in 1998 was \$54,900. In other words, 50 percent of the County's households had annual incomes in excess of \$54,900, and 50 percent had annual incomes below \$54,900. With a 1995 median housing value in the County of \$150,000, the median household incomes compare favorably to the affordability of living in Carroll County.

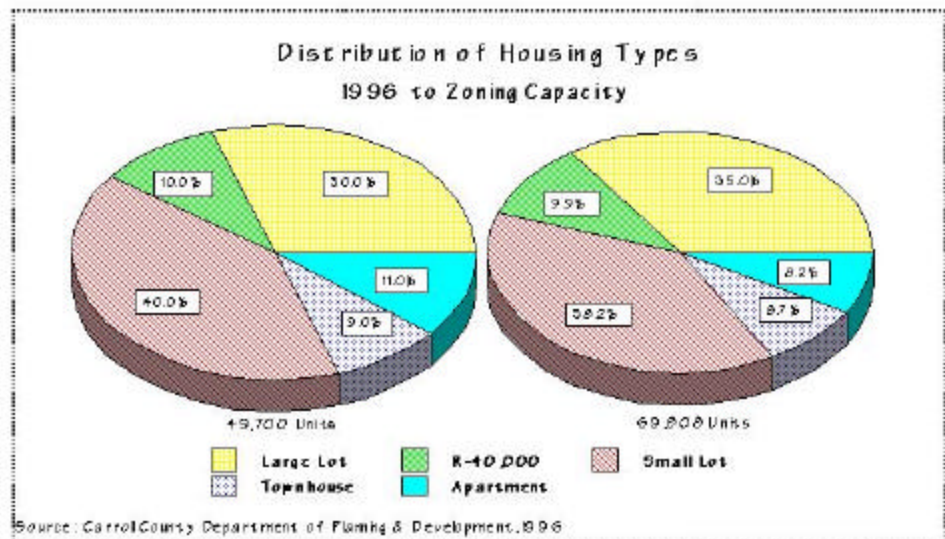
Long-time residents and newcomers who are either employed in the growing number of lower-paying service jobs in the County or are retired are now finding it increasingly difficult to afford housing in sound condition. The average weekly wages offered by Carroll County employers is \$484, or slightly more than \$25,000 a year. Much of the new residential development that is occurring in Carroll County is priced beyond the reach of these workers, many of whom are classified as moderate-income families. The average price of a new home in the County was \$176,363 in 1999. Additionally, the County's low vacancy rate of 3 percent for existing homes serves to elevate the cost of renting or purchasing homes in the County.

The retention and attraction of businesses and industries in the County requires that a diversity of housing be available for workers living in or moving into the community. Providing a variety of housing options allows the labor force needed to support existing and future businesses to live in the County. It also enables lending institutions to reinvest in the community and offer low and moderate income households the chance to enter the housing market through attractive, affordable loans. Housing variety allows renters, first-time homebuyers, and "trade-up" homebuyers to secure housing which meets their needs as their lifestyle and financial status change throughout life.

The Challenge to Carroll County

Currently, the County's Subdivision Regulations and Zoning Ordinance contain few opportunities for diversity in housing, particularly multi-family housing or a mixture of residential and other types of land uses within a development. Only two zones in the County -- the R-10,000 and the R-7,500 zones -- allow for multi-family or planned unit development (PUD) housing. At this time, very little acreage in either zone exists for future development; only about 2,000 additional multi-family units can be developed in the County and municipalities. Additionally, few incentives exist in the County to promote the provision of moderately-priced housing.

According to 1990 Census data, 76 percent of the County's housing units were single-family and 8 percent were townhouses. The Housing Study reported that the vacancy rate for multi-family units (defined as five or more dwelling units per structure) was



cut in half, from 13.5 percent in 1980 to 5.9 percent in 1990. The multi-family vacancy rate for the Baltimore region as a whole was 10.5 percent in 1990. The decline in the number of vacant multi-family units in the County, together with a substantially larger population base, indicates that the County's housing market tightened during the 1980s, with fewer choices available at the end of the decade. With new rental construction at historically low levels and little opportunity to build such units in the future, this trend appears likely to continue.

While the County may take on the responsibility of providing opportunities for affordable and moderately-priced dwelling units through zoning and other regulations, the County must also be able to afford to provide facilities and services to those homes. As of September of 1996, only houses valued at \$202,000 or above paid enough in taxes to completely cover the cost of the services provided to them, chief among which are schools. Yet, pressure is mounting from residents demanding that levels of service be maintained or even increased and that service level deficiencies be corrected. The challenge, then, is to balance the cost of providing services and the need to provide varied housing opportunities, even if some households do not "pay their way."

In reviewing household and housing unit counts in Carroll County between 1980 and 1990, the Housing Study reported that the tight housing supply and loss of lower-cost housing has increased the overall costs of housing and reduced housing options for those with modest incomes.

The Choice: Goals, Policies, Thresholds, & Recommendations

Goal

Provide for a wide range of housing types, density, and affordability that is well maintained and will meet the needs of the entire community

Recommendations

- A. Encourage mixed-use development, such as mixed business/flex, commercial, residential, and recreational uses, accessible to all socio-economic elements of the population in the CPAs.
- B. Review the County's Subdivision Regulations and Zoning Ordinance for obstacles to the creation of housing diversity.
- C. Provide incentives for moderately-priced housing units to be integrated with other residential development.
- D. Consider permitting accessory dwelling units in appropriate residential zoning districts to provide additional affordable housing opportunities.

E. Use federal and state rehabilitation tax incentives to encourage the improvement of the County's historic housing stock.

F. Enforce the Carroll County Minimum Livability Code.

Fiscal Impact to the County

While it may be necessary to provide opportunities for varied housing types, there is a cost associated with doing so. As of September 1996, only houses valued at \$202,000 or more paid enough in taxes to completely cover the cost of the services provided to them. Therefore, all houses valued less than \$202,000 cost the County more in services than the house pays in taxes. Providing additional housing at that level will not alleviate the imbalance in cost of services provided versus taxes paid.