

Chapter 6

Housing Element

Goals

- ◆ Provide a variety of housing types within the Town's land use controls.
- ◆ Encourage the use of innovative programs to provide a suitable mix of housing types in affordable price ranges.
- ◆ Insure high standards of quality in new construction, but with sensitivity to housing affordability.
- ◆ Encourage, through both private and public actions, the renovation or removal of substandard housing.
- ◆ Encourage, through both private and public actions, an opportunity for families to live in adequate homes in price ranges that are affordable.

Objectives

- ◆ Encourage continued maintenance and upkeep of existing housing and stimulate the replacement of housing that becomes unfit for human habitation.
- ◆ Protect residential zones from incompatible activities and land uses to create comfortable and safe living environments.
- ◆ Discourage non-resident thru-traffic in predominately residential neighborhoods.
- ◆ Provide a balanced housing stock with housing opportunities for all Town residents.
- ◆ Continue to encourage greater housing opportunities for the Town's growing elderly population.
- ◆ Encourage increased home-ownership, particularly among the lower-income segments of the community.
- ◆ Improve housing conditions for all the Town's residents.
- ◆ Protect and preserve existing neighborhoods from encroachment of incompatible land uses and activities.

- ◆ Continue to require site plan and planning review for all major developments to ensure a functional design, quality living environment, and compatibility with overall town character. Conditions, exactions and dedications may be required by the Planning Commission so that the development serves the public interests as fairly and fully as possible, consistent with the Comprehensive Plan.
- ◆ Ensure that multi-family residential development provides adequate community open space, landscaping and parking. Minimum parcel size for multi-family development should be of sufficient size to accommodate this use.

The quality of North East's neighborhoods is determined by the cumulative impact of the Town's housing supply and living environment. Since major community goals are to improve the quality of life and to promote the availability and affordability of decent, safe, and sanitary housing for all Town residents, housing ranks as an important local concern. Important factors to be considered in forming Town policy toward the public function of housing in the Comprehensive Plan are:

- Housing is a durable, physical product in a neighborhood setting.
- Housing is a major user of the Town's land.
- Housing is the object of local real estate taxes.
- Housing is a major influence on the Town's physical and social environment.
- Housing is an essential requirement for continued economic development.
- Housing construction is a major source of employment.
- Housing is a major investment or expenditure for individual families.
- Housing is a major investment for the private financial community.
- Housing is a major ingredient in family satisfaction or dissatisfaction and in a community's sense of well-being.

Current Housing Programs

As federal housing and other related programs have disappeared, cities and counties have sought to aid the would-be homeowner. Maryland mounted an ambitious housing program in 1986 in response to federal cutbacks. Most of the state housing programs are administered by the State of Maryland's Community Development Administration which offers a variety of housing programs that fall under the general categories of home ownership, rental housing, special loans and housing subsidy programs. The current programs are briefly described below:

Current Home Ownership Programs

Maryland Mortgage Program (MMP) - The purpose of the MMP is to enable low- and moderate-income households to purchase homes by providing below-market interest rate mortgage financing through private lending institutions. The MMP, which targets first-time home buyers, is available to individuals and households with incomes at or below 85 percent of the State median income.

Maryland Home Financing Program - Home Purchase (MHFP – PIRL) – The purpose of MHFP is to provide low-interest rate mortgages for lower-income households. The MHFP, which targets first-time home buyers, is available to individuals and households with incomes at or below 55 percent of the State median income.

Maryland Home Financing Program - Reverse Equity Mortgage Program (MHFP – REMF) – The purpose of the MHFP-REMF is to enable elderly families of limited income to access part of their accumulated equity in order to pay for housing and other personal expenses to continue to occupy the home. For eligible applicants and properties, the Community Development Administration (CDA) will establish a line of credit up to a program maximum of \$50,000 from which funds may be requested on a monthly basis. No repayment of loans is required until the death of the last surviving borrower, after the borrower voluntarily moves out, or after the sale or transfer of the property.

Settlement Expenses Loan Program (SELP) – SELP provides financial assistance in the form of low interest loans to pay settlement expenses.

Rental Housing Programs

Multi-Family Bond Program (MBP) – This program is designed to increase the construction and rehabilitation of Multi-Family rental housing for families with limited incomes. Tax exempt bonds and notes provide below-market rate construction and permanent financing to profit and nonprofit developers. A certain percentage of units in the project must be made available to low-income persons and households.

Rental Housing Production Program (RHPP) – The purpose of the RHPP is to increase the supply of rental housing for low-income families by providing below-market rate and deferred payment loans to developers. The program is designed to be used in conjunction with tax-exempt, private, local and federal loans.

Elderly Rental Housing Program (ERHP) – The purpose of the ERHP is to increase the supply of rental housing for low-income elderly households by providing below-market rate and deferred payment loans to developers. The program is designed to be used in conjunction with tax-exempt, private, local and federal loans.

Nonprofit Rehabilitation Program (NRP) – The purpose of the NRP is to provide low-interest mortgage loans to nonprofit organizations and local governments to rehabilitate housing for low-income households.

Partnership Rental Housing Program (PRHP) – The PRHP is intended to expand the supply of affordable housing for poor families through State and local government partnerships. Eligible projects include new construction and acquisition or rehabilitation of rental housing.

Maryland Housing Rehabilitation Program - Multi-Family (MHRP-MF) – The purpose of the Multi-Family Program is to provide loans to assist owners in bringing their multi-family units up to applicable building codes and standards.

Multi-Family Home and Energy Loan Program (HELP-MF) – The purpose of the HELP is to finance rehabilitation and energy conservation of existing Multi-Family properties using the proceeds of tax-exempt bonds.

Construction Loan Program (CLP) – The CLP provides low-interest, construction financing loans to nonprofit and local governments to acquire, rehabilitate, or construct certain types of housing and for bridge loans to profit motivated developers.

Transitional Housing and Emergency Shelter Program – The THESP provides grants to improve or create transitional housing and emergency shelters for the purpose of reducing homelessness in the State.

Special Loan Programs

Maryland Housing Rehabilitation Program - Single Family (MHRP SF) – The purpose of the program is to preserve and improve existing small residential properties by bringing the properties up to applicable codes and standards. In 1990 this program was merged with the Livability Code Rehabilitation Program.

Accessory, Shared and Sheltered Housing Program (ACCESS) – The purpose of ACCESS is to expand low cost housing opportunities for low-income households and low-income elderly, handicapped or disabled persons by financing the creation of accessory, shared, and sheltered housing facilities.

Indoor Plumbing Program (IPP) – The purpose of the IPP is to provide indoor plumbing in residential properties. Loans are made to income eligible households in owner-occupied single family units.

Residential Lead Paint Abatement Program (RELAP) – Loans are provided through the RELAP to reduce instances of lead poisoning of children by financing the abatement of lead paint in residential buildings.

Group Home Financing Program (GHFP) – The purpose of this loan program is to assist individuals and nonprofit organizations to construct or acquire and modify existing housing to serve as group homes or temporary and emergency shelter for income-eligible persons and households with special housing needs.

Special Housing Opportunities Program (SHOP) – The purpose of the Special Housing Opportunities Program (SHOP) is to assist non-profit organizations and local development agencies construct and acquire and modify existing housing to provide shelter and service individuals with special housing needs.

Special Targeted Applicant Rehabilitation Program (STAR) – The purpose of the STAR program is to preserve and improve single family properties. STAR was designed to bring properties up to applicable building codes and standards or a minimum housing quality standard.

Housing Subsidy Programs

Rental Allowance Program (RAP) – This program provides grants to local governments to provide flat rent subsidies to low-income families who are homeless or have emergency housing needs. The purpose of the program is to help these families to move from temporary housing to permanent housing and self sufficiency.

Section 8 Existing Certificate/Voucher Program – A U.S. Department of Housing and Urban Development Program (HUD), Section 8 Existing is a rental assistance program which subsidizes the rent of low income families through the use of federal grants. This program is administered through the Maryland CDA and the Cecil County Department of Housing.

Low Income Housing Tax Credit Program

The Federal Low-Income Housing Tax Credit, created by the Tax Reform Act of 1986 and extended by the Revenue Reconciliation Act of 1989, is designed to encourage private sector investment in the construction and rehabilitation of housing for low- and moderate-income families. The law gives states annual tax credit allocation based on population. CDA is the agency which allocates the state's tax credits on a competitive basis.

Infrastructure Program

The purpose of this program is to provide an efficient and economical means of access to capital markets in order to finance infrastructure projects to local governments. This program is administered through the Maryland CDA.

Recommendations

There are alternatives available to local governments for the provision of affordable housing. The extent to which these alternatives are used, either singularly or in combination, depends on the particular needs of the community. Each approach to providing affordable housing has varying degrees of success.

Efficiency Apartments

Efficiency apartments may be permitted under certain conditions with adequate safeguards to protect the character of the existing residential neighborhoods. Both the homeowner and the community can benefit from the presence of accessory apartments, if they are carefully managed. The most obvious public benefit of efficiency apartments is

that they offer a source of inexpensive housing units in the community with virtually no conversion of land use to produce them. Efficiency apartments are moderate-cost housing and can reduce the need for some new development.

The following guidelines should be used to address some of the concerns about the impacts that single family housing conversion to efficiency apartments may have on the character of a neighborhood:

1. Require Owner Occupancy - require that the owner of the building continue to reside in one of the units to ensure that the appearance of the structure will be maintained.
2. Restrict the Age of Homes to Be Converted - these provisions will limit conversion to existing structures to discourage builders from taking advantage of an efficiency apartment provision as a backdoor route to two-family development.
3. Provide for Parking and Traffic - these provisions will mandate that the existing parking pattern not be altered and that off-street parking be provided.
4. Guarding Against Visual Change in the Neighborhood - these provisions will generally restrict the owner from making external alterations to the structure such as adding a second entrance on the front of the house.
5. Specifying Minimum Apartment Sizes - these provisions should limit the size of the efficiency apartment as it relates to the main unit to ensure that the accessory unit is clearly secondary. Minimum size of apartments will be specified.
6. Providing Opportunities to Control the Scale of Change - these provisions should allow conversions under a special exception rather than as a "by right" in any zone, thereby allowing neighborhood residents a chance to respond.

Cluster Development

Cluster development is a method of grouping housing units together to reduce street and utility costs while retaining the same density as regular housing types (see Illustration 1). The Town permits cluster development within the Zoning Ordinance.

Traditional Neighborhood Development (TND)

Traditional neighborhood development is a development pattern that reflects the characteristics of small, older communities of the late 19th and early 20th centuries.

Emphasis is placed on the layout of the streets, the building of a variety of housing types with smaller front yards, the more judicious use of open spaces to serve as community focal points, and the appearance of clearly defined streetscapes (see Illustration 2). TND communities are characterized by:

- mixed land uses;
- grid street patterns;
- pedestrian circulation;
- intensively-used open spaces;
- architectural character and
- a sense of community.

It is recommended that the Town revise existing regulations to establish a TND overlay zoning district for infill development, as well as for use in Designated Growth Areas. Traditional neighborhood development concepts are particularly relevant to vacant areas in and immediately adjacent to the Town. In the overlay zone, design standards should be created that encourage compatible new construction and additions in traditional neighborhoods. New TND districts created under these provisions should establish specifications for building bulk, building setback, yard requirements, building height and scale, and/or parking requirements. The overlay zone should provide that exceptions to existing development standards can be made where appropriate.

Enforcement of Building and Housing Codes

Building codes are designed to assure that new structures are of good quality, and housing codes are aimed at obtaining quality in existing housing. Both are worthwhile even though they necessitate the added burden of time and staff to enforce them. Building inspection and enforcement in the Town of North East is provided by Cecil County.

Livability Code

The Livability Code applies to minimal safe and sanitary conditions of rental properties only and is intended to insure that all rental units meet basic standards for such things as bathroom facilities, electrical systems, etc. Cecil County enforces the Livability Code in the Town of North East.

Other Recommendations

The Town should encourage the construction of housing for the elderly such as Victoria Park. If located near the downtown area, as recommended, such a project will provide for convenient access to shopping and other downtown facilities.

Illustration 1- Cluster Development Concept



CONVENTIONAL SUBDIVISION

The entire site is subdivided into lot of 1/2 acre or more. An extensive road system is required for access to lots, and the dispersed lay-out increases the cost of utility installation and maintenance. Open space is minimal thus forcing pedestrians and vehicular traffic to utilize the same travel corridors. Privacy is limited and the landscape is often monotonous.



CLUSTER

Lot size is reduced, with the balance provided as open space. Clustering allows for the utilization of the best building sites, while preserving environmentally sensitive areas. In addition, utility and road costs are reduced as is maintenance costs. More open space can be provided and utility can be achieved with attached units, such as townhouses and multi-plex units.



Illustration 2 - Traditional Neighborhood Development Concept

