

WORK SESSION OF THE GREENBELT CITY COUNCIL held Monday, August 15, 2016, to discuss the Housing Affordability Study.

Mayor Jordan started the meeting at 8:02 p.m. The meeting was held in the Council Room of the Municipal Building.

PRESENT WERE: Councilmembers Judith F. Davis, Konrad E. Herling, Leta M. Mach, Silke I. Pope, Edward V. J. Putens, Rodney M. Roberts and Mayor Emmett V. Jordan.

STAFF PRESENT WAS: David Moran, Assistant City Manager; Mary Kolar, Maryland Municipal League Intern; and Cindy Murray, City Clerk.

OTHERS PRESENT WERE: John Drago, Colin Byrd, Marge Owens and others.

Ms. Kolar said that her intern work in Greenbelt this summer had been focused on the study of affordable housing in Greenbelt. She explained that housing affordability is a concern across the Washington DC metropolitan region. Although Greenbelt has lower housing costs than in other parts of the region, there are significant challenges for many low-income and moderate-income residents. In addition, the City has an aging population and retiring households often rely on fixed incomes that cannot absorb significant increases to housing costs.

Ms. Kolar presented a PowerPoint presentation highlighting the findings of her review of other programs and policies in similar jurisdictions around the region, summarizing the findings of a community-wide survey on housing concerns of Greenbelt residents, and outlining policy recommendations for Council to consider.

Background on Housing Costs and Affordability

A widely held convention in public policy is that households should spend no more than 30% of income toward housing costs. When housing costs exceed 30% of income, they are typically considered unaffordable because they challenge a household's ability to afford other non-discretionary items. The Department of Housing and Urban Development (HUD) considers households paying between 30-50% of income towards housing "cost burdened" and those paying more than 50% "severely cost burdened."

According to the National Low Income Housing Coalition, Prince George's County's 2016 "housing wage," or the hourly wage a renter must earn in order to afford a two-bedroom apartment at the current fair market rent (FMR) of \$1,623 per month, is \$31.21 (\$64,920 annually). At the County's prevailing minimum wage, a renter household must work approximately 131 hours per week in order to afford a two-bedroom unit.

Local Affordable Housing Programs

Moderately Priced Dwelling Unit Programs: A number of jurisdictions in the metropolitan region have policies in place to increase affordable housing options. Many have enacted inclusionary zoning policies, widely known as Moderately Priced Dwelling Unit (MPDU) programs. Inclusionary zoning ("inclusionary housing") generally refers to zoning policies that require developers to include affordable housing units in proposed development plans in order to receive approval to build.

Prince George's County does not currently have any inclusionary zoning policies in place and the City's zoning authority rests with the County.

Montgomery County, Frederick County and the Cities of Frederick, Rockville, Gaithersburg and Laurel have inclusionary zoning policies.

Rent Stabilization: Rent stabilization and rent control policies are not typically designed to target households at specific income levels, nor do they enforce the 30% affordability standard. Rent control usually applies to a broad base of units and controls rent increases. A municipal agency or body determines, often annually, the maximum rent increase that a landlord may charge tenants, as well as notification requirements and eligible exemptions.

The City of Takoma Park has had a Rent Stabilization Program in place since 1981.

Survey Findings

A brief, anonymous, community-wide survey was recently conducted in order to better understand the housing needs and concerns of residents, particularly in regard to affordability. The survey was open online, distributed via social media and printed in two issues of the Greenbelt News Review. Additionally, the survey was distributed by property management companies in Franklin Park Apartments, University Square Apartments and Greenbelt Homes Inc. Some key data points include:

- A majority of respondents were female (76%), white (74%), homeowners (59%) with no children (77%).*
- A plurality of respondents were Greenbelt Homes, Inc. residents (39%)*
- An overwhelming majority (91%) live in 1-person or 2-person households.*
- More than half (58%) of total respondents pay at least 30% of income towards housing costs (41% pay between 30% and 50% and 17% pay more than 50%).*
- Forty (40%) of respondents indicated that they are burdened or severely burdened by housing costs, saying that these costs sometimes or regularly prevent them from purchasing other necessities, such as groceries, medicine, or transportation-related costs.*
- Fifty-eight (58%) of respondents indicated that they feel less than secure in their current housing status.*
- Thirty-four (34%) of respondents consider their housing cost a serious concern, 29% consider it a moderate concern.*
- More respondents consider housing cost a serious concern than consider physical conditions, accessibility, landlord or management company non-responsiveness or energy/utility costs a serious concern. (Energy/utility costs are the category with the second highest rating of serious concern at 25%).*
- Seventy-two percent (72%) of respondents indicated that increasing housing options affordable to low-income seniors is a very important or important priority for the City.*
- Sixty-seven (67%) of respondents indicated that increasing housing options affordable to low income residents is a very important or important priority.*

- *Sixty-seven (67%) of respondents indicated that increasing independent living options affordable to low income or very low-income people with disabilities is a very important or important priority.*
- *Sixty-two percent (62%) of respondents indicated that increasing housing options affordable to very low-income people is a very important or important priority.*

Recommendations

Ms. Kolar said given the survey results, information about mounting housing costs in the Washington metropolitan region, and Greenbelt's founding goal and continued principle of providing affordable housing for working families, Council should pursue policy guidance that will help preserve existing and create new affordable housing resources targeted to low-and -moderate-income households.

She suggested the following recommendations be considered:

- 1. Create standards for City support of proposed development, in line with nearby MPDU programs. While the City cannot create a legally binding MPDU program without zoning authority, it could develop a set of criteria with which proposed developments must comply in order to receive municipal support.*
- 2. Renew Green Ridge House's project-based Section 8 Housing Assistance Payment contract with HUD prior to contract expiration in 2019. Green Ridge House, with 101 units of rental housing affordable to very low-income seniors and people living with disabilities, is an important housing resource for the City.*
- 3. Explore opportunities for new affordable housing development and ensure that wherever economic development occurs, an affordable housing component, if at all feasible, be included.*

There was brief discussion about landlords refusing to rent to potential tenants solely based on their payment with a federal housing subsidy. Ms. Kolar said some states, along with the District of Columbia, have adopted legislation outlawing "income discrimination."

Ms. Davis mentioned a resident had shared information on a successful mixed housing and business use in vacant buildings in Washington, DC, but questioned whether current zoning law would allow this type of mix in our area. It was suggested that the idea be discussed at the upcoming work session with Maryland-National Capital Park and Planning Commission.

Mr. Byrd, 7014 Mathew Street, noted that 21.5% of survey respondents were Black/African American which is not representative for the demographics of the City. He also suggested that the City adopt an ordinance to prevent income discrimination. Ms. Kolar said she was unsure if any Maryland municipalities had adopted an ordinance to prevent income discrimination. Mr. Moran will check with the Maryland Municipal League.

Tom Taylor, Laurel Hill Road, asked for a definition of "affordable" housing. Ms. Kolar said there is not one specific definition, but the measure most widely used is "affordable housing," considered no more than 30% of total income.

Council thanked Ms. Kolar for her work on affordable housing. They requested: 1) a follow up meeting be included on Council's work session schedule; and 2) affordable housing be included on the agenda for the work session with the County Executive in September.

Mr. Orleans asked and was provided answers to several questions.

Informational Items

Mr. Herling said he, along with Mayor Jordan, attended the Fashion Show at Beltway Plaza on Saturday.

Mayor Jordan reported on the closing of Chef Secret's Restaurant. He noted that Gus's World Famous Fried Chicken would be the new tenants in the space.

Several other informational items were discussed.

The meeting ended at 10:13 p.m.

Respectfully Submitted,

*Cindy Murray
City Clerk*