

Part IV: Community Development and Character

Chapter

10

Housing and Neighborhood Conservation

Subregion 4 is envisioned to be a vibrant community where quality of life is improved, neighborhoods are conserved, and a variety of high-quality housing types for a range of incomes exists. Specifically, there will be increased opportunities for workforce, single-family homeownership, new opportunities for mixed-use and mixed-income housing, as well as low-rise, medium-density multifamily rental housing, while limiting the impact of new development and growth centers on existing neighborhoods as revitalization occurs.

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Background

The close proximity of Subregion 4 to various employment, entertainment, historic, and recreational amenities found in Washington D.C., makes its location ideal for continued economic growth and desirable for homeownership and affordable rental housing. These are also important attributes to neighborhood stability.

However, a number of Subregion 4 communities are experiencing a range of factors that affect the quality of life within their neighborhoods. The factors include the transition of long-time residents, deferred maintenance of older housing stock, and increases in rental occupancy (especially among single-family detached homes). It is important to put in place a set of strategies to maintain, stabilize, and improve the neighborhoods of Subregion 4 before the impact of disinvestment is insurmountable.

Key Findings

- The 2000 census reported that 52 percent of households in Subregion 4 are owner-occupied compared to 62 percent in Prince George's County.
- Ten percent of the residents now living in Subregion 4 lived in the District of Columbia in 1995. In contrast, only five percent of the residents currently residing in other parts of Prince George's County, lived in Washington, D.C. in 1995. Subregion 4, because of its close proximity to the District of Columbia, becomes a key location for residents looking to relocate to Prince George's County from Washington, D.C.
- As of August 2008, the median sales price range for single-family detached homes was between \$199,900 and \$251,700 in Subregion 4, compared to nearby communities in Prince George's County having a median price range between \$329,445 and \$337,000.

Two of the biggest concerns raised by residents and stakeholders were the perceived lack of code enforcement and the influx of lower income residents from the District of Columbia. These concerns, as well as the factors previously discussed, affect the quality of life and threaten the stability of older neighborhoods in Subregion 4. These neighborhoods are characterized as "tipping point" neighborhoods because they illustrate areas that are in danger of becoming blighting influences within the subregion if there is not planned intervention to reverse the trend. However, Subregion 4 has an opportunity to overcome its current challenges because of its strengths, housing affordability, close proximity to employment opportunities in the District of Columbia, and easy access to transit stations.

The 2002 Prince George's County Approved General Plan provides the basis for general housing policies presented in this master plan, including creating an adequate supply of mixed-use and mixed-income housing. To realize this goal, the General Plan recommends two key policies that are applicable to the Subregion 4 plan:

Policy 1

Provide opportunities for high-density housing within centers, at selected locations along corridors, and in mixed-use areas.

Potential strategies, as they relate to Subregion 4, not otherwise included in the General Plan:

Strategies

- Encourage appropriate infill housing.
- Encourage more intense, high-quality housing and economic development opportunities.
- Promote transit-supporting, mixed-use, pedestrian-oriented neighborhoods.
- Ensure compatibility with surrounding neighborhoods.

Policy 2

Ensure high-quality housing for all price ranges while encouraging development of a variety of high-value housing.

Strategies:

- Rehabilitate existing single-family and multifamily housing stock using a variety of federal, state, local, and private sector resources.
- Strengthen existing neighborhoods through programs encouraging homeownership and maintenance of affordable housing stock.

Efforts to strengthen existing neighborhoods may include providing new housing choices and the rehabilitation or redevelopment of existing housing stock.

The development of this master plan reflects a community-based vision. Once this vision is transferred to a revitalization plan, five key components are vital to beginning the process of neighborhood revitalization:

- Designation of “model project development areas” to serve as a catalyst for housing and community development projects throughout the project area.
- Establishment of design guidelines for the renovation of existing housing and for infill that is consistent with the neighborhood’s character.
- Introduction of programs and policies that provide a framework for the rehabilitation of existing houses occupied by lower-income renters and homeowners.
- Guidelines for the preparation of development packages to prospective partners (developers, builders, lenders, local government, etc.) and the negotiation of development partner agreements.
- Establishment of a framework for municipalities, county, and state government to manage the predevelopment process including financing options and strategies, minority business participation, community involvement, project planning, and project management.

Housing Stabilization and Neighborhood Conservation

The intention of this plan is to improve quality of life throughout the subregion. As this relates to housing and neighborhood conservation, new homeownership must be facilitated, existing housing stocking must be stabilized, and the capacity of lower-income residents to be more self-sufficient must increase.

Achieving these goals will require:

- Establishing and adhering to guidelines that ensure high-quality new housing, especially new multifamily housing.
- Increasing homeownership among moderate- to middle-income families.
- Reducing levels of unresolved code enforcement violation cases.
- Decreasing conversion of single-family, owner-occupied homes to rental housing.
- Establishing historic or neighborhood conservation designation for older neighborhoods.

Housing and neighborhood development initiatives need to stabilize declining areas of Subregion 4. Not all development opportunities are attractive to traditional for-profit developers; however, the county’s goal should be to help attract developers through the use of neighborhood-level implementation planning. The preparation of neighborhood level plans should create parcel-level identification of existing conditions, project specific site development planning, and package short-range development opportunities.

Goals

- Establish a nonprofit community development corporation that will serve Subregion 4.
- Improve the existing housing stock that has outstanding code violations.

- Use neighborhood-level planning as a tool to design and implement catalyst projects.
- Identify best practices throughout Subregion 4 and expand into other communities.
- Reduce development risk as a way to encourage private sector investment into housing development and neighborhood stabilization.
- Reduce high concentrations of distressed, low-income rental housing through public/private partnerships for acquisition, rehabilitation, or demolition through county housing programs and private sector redevelopment efforts.
- Offer residents of distressed housing alternative housing in existing and newly rehabilitated properties.

Policy 1

Expand opportunities for homeownership at a range of price points without negatively impacting the suburban character of the existing neighborhoods.

Strategies

- Develop and implement funding strategies for single-family rehabilitation programs that retain and attract moderate-income homeowners.
- Provide financial incentives to support first-time homeowners.
- Establish housing development guidelines to ensure the architectural elements of the surrounding community are incorporated into new projects.
- Establish neighborhood development guidelines to promote site plans that incorporate urban and suburban characteristics through lower-density developments and the use of open space and infrastructure improvements that promote pedestrian linkages to retail and mass transit.
- Ensure that development proposals for the centers are compatible in scale and incorporate vehicular and pedestrian connections to adjacent residential areas.

- Work with area employers to design incentives (down payment and closing cost assistance, on-the-job homeownership counseling, etc.) to promote homeownership close to work.
- Seek opportunities for the Department of Housing and Community Development to invest in new housing by providing financial incentives for the development of mixed-income housing, inclusive of workforce and starter-homeownership and rental units.
- Prepare a Subregion 4 marketing campaign that “brands” the subregion and promotes it as a great place to live, work, and play.

Policy 2

Ensure that infill is compatible with surrounding neighborhoods.

Strategies

- Provide design assistance to business or property owners to complete façade renovations that meet established design criteria.
- Establish design guidelines to encourage architectural sensitivity within housing rehabilitation standards as part of the overall approach to both minor and major rehabilitation of existing housing.

Policy 3

Design and incorporate a capacity building component into all neighborhood revitalization strategies.

Strategies

- Encourage for-profit developers to collaborate with community-based organizations that provide counseling services to support both home buyers and renters.
- Prioritize the use of financing and development subsidies that encourage joint ventures between nonprofit and for-profit developers. Highest priority should be given to projects that leverage the involvement of conventional lenders.

- Sponsor training for neighborhood-based organizations.
- Require developers to submit a public involvement strategy that identifies how stakeholders are impacted by their proposed development.
- Conduct a series of workshops designed to build the capacity of existing neighborhood organizations in support of the Subregion 4 Master Plan and its recommendations.

Policy 4

Reduce high concentrations of foreclosed and abandoned properties as part of overall housing and neighborhood stabilization strategies.

Strategies

- Provide homeownership and financial training and counseling, both before and after the purchase, for current area renters wishing to purchase homes.
- Provide foreclosure prevention counseling and assistance.
- Assess the county's Neighborhood Stabilization Program to determine areas of greatest need based on subprime lending and foreclosures within Subregion 4.
- Encourage the use of local and state housing and development funding within areas where the U.S. Department of Housing and Urban Development's Neighborhood Stabilization Program funding will be spent.
- Develop relationships with lenders holding foreclosed properties as a basis for identifying vacant and abandoned properties that can be acquired, renovated, and marketed to low- to moderate-income homeowners and affordable housing renters.

Policy 5

Transit-oriented development should include strategies for adjoining older neighborhoods within a one-mile radius of proposed growth center developments sites.

Strategies

- Prepare a solicitation to find qualified development partners to plan and develop a mixed-use neighborhood that includes retail, homeownership, and rental properties.
- Establish Business Improvement Districts as a means of building the capacity of existing retail business owners located near proposed or existing transit-oriented development sites.
- Minimize the impact of higher density transit-oriented development to existing neighborhoods by creating appropriate buffers between new development projects and mature neighborhoods.
- Encourage the redevelopment of older neighborhoods within close proximity to new transit-oriented developments; solicitations to development partners should be packaged in a manner that encourages developers to partner with community-based organizations to facilitate development of older adjoining neighborhoods within a one-mile radius of the development site.
- Develop a retention strategy to work with residents who might be displaced by future development to relocate to housing units in the plan area and vicinity.

Policy 6

Create a Subregion 4 community development corporation to structure partnership opportunities and to deliver technical assistance to neighborhood groups, local nonprofit development organizations, and for-profit developers.

Strategies

- Acquire land and partake in land assemblage for disposition and use by nonprofit or for-profit developers.
- Establish a land bank to hold property, clear title, and package land development proposals.

- Provide financial incentives that encourage investor-owners to reinvest in their property without passing the cost of reinvestment to lower-income tenants.
- Link identification of code violations with financial incentives and technical assistance to encourage property owners to reinvest and correct outstanding code violations.
- As part of the Subregion 4, nonprofit development financing strategy, the cost of land would be “written down” as a form of subsidy to support affordable housing development.

Creation of a Community Development Corporation

The most promising alternative model to direct governmental administration of community development programs has been that of community development corporations (CDCs). Unlike government, CDCs can respond quickly to the development opportunities offered by a changing marketplace. They also can mix and match programs to respond to the multiple needs within a neighborhood more easily than local government.

In recent years, CDCs have received major attention from government and private funders as a promising way to improve urban neighborhoods and the lives of those who live in them. These groups are nonprofit, community-controlled real estate development organizations dedicated to the revitalization of low- to moderate-income, middle-income, and in some cases higher-income neighborhoods. They often undertake physical revitalization, economic development, social services, and organizing and advocacy activities. Because public services for lower income communities are fragmented across multiple agencies and levels of government, CDCs often are the only institutions with a comprehensive and coordinated program agenda.

CDCs, as an industry, made strong gains in their number, size, outputs, and contributions to neighborhood revitalization over the 1990s. In the 2000s, they increased their ability to influence neighborhood markets and to respond to neighborhood problems. They expanded their physical revitalization activities and began to pursue more comprehensive approaches to community improvement. These advances were largely the result of an institutional revolution within most major U.S. cities. Support for CDC initiatives had been largely ad hoc and poorly coordinated before 1990. By the decade’s end, support for CDCs had become more rational, entrenched, and effective.

Key Objectives

The realistic housing and neighborhood development objectives of the Subregion 4 plan that a CDC would serve are:

- Acquisition and renovation of bank-foreclosed, tax-foreclosed, and city-owned property. Although initial progress can be slow, CDCs could be a key source to redeveloping these properties.
- Preservation of affordable housing, principally including tax-credit projects and expiring-use Section 8 projects. Successful CDC involvement in acquisition of these projects from for-profit owners is critical to their continuing ability to serve the low-income housing market.
- Development of community facility projects with a more diversified approach to neighborhood change, including social services, education, workforce, and youth development programs.
- Commercial revitalization activities, supported by new federal tax credits for economic development projects, and building on recent moves by some CDC industries to support retail strip improvements as a missing component of overall neighborhood revitalization strategies.

- Development of new housing for both homeownership and rental.
- Planning and organizing activities to meet community needs (example: neighborhood planning, community organizing and advocacy, neighborhood cleanup, community safety or any program requiring active participation of community and residents).
- Establishment of programs to assist homeowners including down payment assistance, pre-purchase counseling, post-purchase counseling, IDAs, emergency repair, housing rehabilitation or any program to help support and/or increase homeownership and neighborhood stabilization).
- Assistance in commercial development including business technical assistance, commercial building renovation).
- Establishment of programs for workforce and youth Development (example: job readiness training, skills development, youth employment and training, leadership training).
- Facilitation of the improvement of open space development (example: community gardens, park improvements, greenway development).

