NCSG
National Center for
Smart Growth
Research & Education

Maryland Housing Needs Assessment

Baltimore City
Affordable Housing Trust Fund

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What is the NCSG?

- Research center at UMD College Park
  - Based in the School of Architecture, founded in 2000
  - Technical assistance to local and state government; grant recipient from NSF, federal government, foundations
  - Member of the Opportunity Collaborative in the Baltimore Region in 2012-2015
- 5 urban planning faculty
  - 15 staff and student employees
- Mission:
  - The NCSG works to create a more sustainable, vibrant and enhanced quality of life for communities across the globe. While we continue to address smart growth issues around the world, we are also engaged extensively at the local level on issues like housing, transportation, climate, and equity.

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The Maryland Housing Needs Assessment

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Maryland Housing Needs Assessment & 10-Year Strategic Plan

A shared framework & toolbox for the Maryland Department of Housing and Community Development and local partners

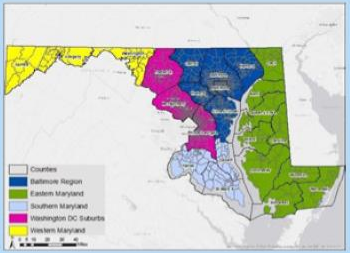
December 2020

Prepared by the National Center for Smart Growth and Enterprise Community Partners, Inc.

www.umdsmartgrowth.org

What's in this report? It's 300 pages!

- Proposed statewide priorities
  - What are the biggest issues?
- Assessment of current and future conditions
  - Supply, demand, projected demographic and economic situation
- Identification of needs by region
  - How do needs in the housing market differ across the state?
- Policy toolbox
  - A "menu of actions" *not* a prescriptive policy roadmap
- Appendices
  - State and local policy review
  - Engagement summary
  - Technical documentation
  - Supplementary data
    - Check out page 150 on the Maryland Mortgage Program



MARYLAND REGIONS

This report uses five regions to discuss housing needs (see map above). These regions align with the categorization used by the Maryland Department of Planning (MDP) (though MDP separates Eastern Maryland into two parts, northern and southern). For the purposes of this report, the state's 23 counties and Baltimore City are categorized as follows: 1) Greater Baltimore region: Baltimore City, and Anne Arundel, Baltimore, Carroll, Harford and Howard counties; 2) Washington, DC suburbs: Frederick, Montgomery and Prince George's counties; 3) Eastern Maryland: Caroline, Cecil, Dorchester, Kent, Queen Anne's, Somerset, Talbot, Wicomico and Worcester counties; 4) Western Maryland: Allegany, Garrett and Washington counties; and 5) Southern Maryland: Calvert, Charles and St. Mary's counties.

Rents are increasing dramatically

Table 18. Median Gross Rent, Maryland (2000–2017)
Source: ACS 2017 5-Year Estimates, IPUMS 2000–2010

	2000	2010	2017	Change (2000–2017)
Allegany	$539	$604	$672	25%
Anne Arundel	$1,130	$1,469	$1,579	40%
Baltimore	$949	$1,162	$1,224	29%
Baltimore City	**$705**	**$966**	**$1,009**	**43%**
Calvert	$1,185	$1,354	$1,612	36%
Caroline	$683	$970	$924	35%
Carroll	$903	$1,049	$1,131	25%
Cecil	$874	$1,060	$1,071	23%
Charles	$1,215	$1,470	$1,618	33%
Dorchester	$646	$792	$869	35%
Frederick	$1,018	$1,274	$1,338	31%
Garrett	$541	$604	$646	19%
Harford	$918	$1,092	$1,197	30%
Howard	$1,245	$1,514	$1,661	33%
Kent	$745	$890	$938	26%
Montgomery	$1,294	$1,594	$1,693	31%
Prince George's	$1,044	$1,282	$1,385	33%
Queen Anne's	$881	$1,181	$1,325	50%
St Mary's	$1,018	$1,263	$1,288	27%
Somerset	$607	$764	$673	11%
Talbot	$782	$1,026	$1,084	39%
Washington	$683	$858	$889	30%
Wicomico	$803	$1,053	$1,042	30%
Worcester	$813	$909	$994	22%
Maryland	**$976**	**$1,227**	**$1,311**	**34%**

Note: 2000 and 2010 dollars were adjusted for inflation.

Incomes are increasing more slowly

Table 20. Median Household Income, Maryland (2000–2017)
Source: ACS 2017 5-Year Estimates, IPUMS 2000–2010

	2000	2010	2017	Change (2000–2017)
Allegany	43,769	42,458	42,771	-2%
Anne Arundel	87,294	93,871	94,502	8%
Baltimore	71,504	71,941	71,810	0%
Baltimore City	**42,116**	**44,301**	**46,641**	**11%**
Calvert	93,065	102,175	100,350	8%
Caroline	54,670	66,137	52,469	-4%
Carroll	85,106	91,807	90,510	6%
Cecil	71,202	72,984	70,516	-1%
Charles	88,230	99,910	93,973	7%
Dorchester	47,752	50,786	50,532	6%
Frederick	85,392	91,880	88,502	4%
Garrett	45,672	51,471	48,174	5%
Harford	80,777	86,621	83,445	3%
Howard	104,792	116,161	115,576	10%
Kent	55,932	56,399	56,638	1%
Montgomery	101,377	105,026	103,178	2%
Prince George's	77,709	80,153	78,607	1%
Queen Anne's	79,541	91,217	89,241	12%
St Mary's	77,485	90,044	86,508	12%
Somerset	42,368	47,740	39,239	-7%
Talbot	61,878	70,882	65,595	6%
Washington	57,086	59,608	58,260	2%
Wicomico	54,832	57,086	54,493	-1%
Worcester	57,233	62,412	59,458	4%
Maryland	**74,861**	**79,464**	**78,916**	**5%**

Note: 2000 and 2010 dollars were adjusted for inflation.

What's the result of this divergence in incomes and rents?

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Increasing cost burden.

Cost-burdened renters

Table 17. Cost-burdened Maryland renters (2016)
Source: HUD CHAS 2016

	Total number				Share		
	Total Renters	Not cost-burdened	Moderately cost-burdened	Severely cost-burdened	Not cost-burdened	Moderately cost-burdened	Severely cost-burdened
Allegany	8,620	4,855	1,505	2,260	56.3%	17.5%	26.2%
Anne Arundel	53,055	30,445	12,710	9,900	57.4%	24.0%	18.7%
Baltimore	105,060	57,445	22,845	24,770	54.7%	21.7%	23.6%
Baltimore City	**125,175**	**62,480**	**28,405**	**34,290**	**49.9%**	**22.7%**	**27.4%**
Calvert	5,590	3,030	1,200	1,360	54.2%	21.5%	24.3%
Caroline	3,455	1,655	810	990	47.9%	23.4%	28.7%
Carroll	11,280	6,350	2,540	2,390	56.3%	22.5%	21.2%
Cecil	9,855	5,190	2,510	2,155	52.7%	25.5%	21.9%
Charles	11,850	5,800	3,170	2,880	48.9%	26.8%	24.3%
Dorchester	4,490	2,365	915	1,210	52.7%	20.4%	26.9%
Frederick	22,775	12,540	5,275	4,960	55.1%	23.2%	21.8%
Garrett	2,520	1,630	395	495	64.7%	15.7%	19.6%
Harford	19,660	10,675	4,585	4,400	54.3%	23.3%	22.4%
Howard	28,825	16,870	5,835	6,120	58.5%	20.2%	21.2%
Kent	2,319	1,265	584	470	54.5%	25.2%	20.3%
Montgomery	125,025	65,840	30,400	28,785	52.7%	24.3%	23.0%
Prince George's	115,805	59,975	29,855	25,975	51.8%	25.8%	22.4%
Queen Anne's	3,304	1,885	730	689	57.1%	22.1%	20.9%
St Mary's	10,770	6,425	2,420	1,925	59.7%	22.5%	17.9%
Somerset	2,915	1,275	510	1,130	43.7%	17.5%	38.8%
Talbot	4,979	2,375	1,320	1,284	47.7%	26.5%	25.8%
Washington	19,615	11,890	3,615	4,110	60.6%	18.4%	21.0%
Wicomico	14,105	6,955	3,125	4,025	49.3%	22.2%	28.5%
Worcester	5,185	2,845	1,135	1,205	54.9%	21.9%	23.2%
Maryland	**716,232**	**382,060**	**166,394**	**167,778**	**53.3%**	**23.2%**	**23.4%**

- In 2000 there were 22k moderate and 27k severe
- In 2008 there were 27k moderate and 29k severe

Deficit of affordable units

Table 7. Rental Supply Analysis by Household Income and County (2016)
Source: HUD CHAS 2016

	0–30% AMI	0–50% AMI	0–80% AMI
Allegany	(800)	1,580	1,915
Anne Arundel	(1,790)	(4,285)	6,370
Baltimore	(13,275)	(7,460)	29,530
Baltimore City	**(20,175)**	**3,265**	**25,785**
Calvert	(555)	(10)	980
Caroline	(170)	(55)	700
Carroll	(805)	1,150	3,085
Cecil	(1,185)	130	3,220
Charles	(1,380)	(635)	1,565
Dorchester	(330)	(35)	1,110
Frederick	(2,425)	1,120	5,075
Garrett	340	940	990
Harford	(2,155)	(145)	6,175
Howard	(2,955)	(4,485)	175
Kent	5	175	670
Montgomery	(15,570)	(22,965)	(930)
Prince George's	(17,920)	(2,735)	27,610
Queen Anne's	155	315	645
Somerset	(345)	(26)	424
St. Mary's	(625)	200	4,115
Talbot	(571)	(411)	1,089
Washington	(1,060)	1,490	5,630
Wicomico	(1,460)	(2,245)	2,490
Worcester	(10)	1,745	4,215

Note: Numbers in red represent a deficit in the number of rental units available at the given income category. Numbers in black indicate a surplus of rental units at a given income category.

Projections for cost burden: more high-need renters are coming

Table 21. Projected Share of Moderately Cost-burdened Households (as a Share of All Households) (2020–2030)
Source: National Center for Smart Growth projection based on CHAS data

	2020	2030
Allegany	13.4%	13.9%
Anne Arundel	17.2%	18.1%
Baltimore County	17.0%	18.3%
Baltimore City	**20.8%**	**23.2%**
Calvert	17.2%	17.9%
Caroline	20.3%	23.1%
Carroll	17.0%	17.7%
Cecil	18.8%	21.2%
Charles	19.2%	20.1%
Dorchester	16.6%	17.6%
Frederick	17.2%	17.9%
Garrett	16.0%	17.7%
Harford	16.1%	17.2%
Howard	15.2%	14.9%
Kent	19.1%	22.1%
Montgomery	18.2%	19.5%
Prince George's	22.6%	24.8%
Queen Anne's	18.6%	20.2%
St. Mary's	16.6%	17.6%
Somerset	15.8%	15.9%
Talbot	19.3%	21.9%
Washington	16.8%	18.6%
Wicomico	17.5%	19.1%
Worcester	19.7%	22.4%
Maryland	**18.4%**	**19.8%**

Table 22. Projected Share of Severely Cost-burdened Households (as a Share of All Households)
Source: National Center for Smart Growth projection based on CHAS data

	2020	2030
Allegany	14.6%	17.3%
Anne Arundel	12.9%	15.5%
Baltimore County	15.4%	18.5%
Baltimore City	**22.0%**	**25.0%**
Calvert	12.8%	15.5%
Caroline	20.8%	26.2%
Carroll	10.7%	12.4%
Cecil	14.1%	16.8%
Charles	15.6%	19.9%
Dorchester	18.6%	22.2%
Frederick	13.0%	15.9%
Garrett	12.2%	13.8%
Harford	13.2%	16.2%
Howard	11.9%	14.2%
Kent	16.2%	18.6%
Montgomery	15.5%	18.7%
Prince George's	17.3%	20.9%
Queen Anne's	11.2%	11.5%
St. Mary's	10.9%	12.3%
Somerset	27.1%	34.2%
Talbot	17.1%	20.6%
Washington	13.9%	16.5%
Wicomico	18.4%	22.3%
Worcester	16.9%	20.5%
Maryland	**15.6%**	**18.6%**

Affordable units at risk of loss

Table 14. Publicly Supported Units At-Risk of Non-Renewal by County (2020)
Source: National Housing Preservation Database 2020

	Built before 1975	Family as tenant	For-profit Ownership	Less than 50 units	Low REAC score
Allegany	5	7	10	11	20
Anne Arundel	6	13	9	20	46
Baltimore	3	10	23	34	62
Baltimore City	**10**	**61**	**80**	**86**	**205**
Calvert	0	5	5	9	14
Caroline	0	9	12	12	10
Carroll	0	5	10	14	15
Cecil	0	14	11	15	27
Charles	0	11	12	10	16
Dorchester	1	16	14	17	23
Frederick	1	11	12	40	30
Garrett	0	9	4	21	22
Harford	4	8	11	10	19
Howard	4	12	13	18	24
Kent	4	7	9	12	12
Montgomery	7	42	41	82	120
Prince George's	0	25	34	49	80
Queen Anne's	0	3	4	7	7
Saint Mary's	0	12	10	14	17
Somerset	3	8	9	8	11
Talbot	0	7	7	12	16
Washington	0	13	11	18	29
Wicomico	4	15	17	16	29
Worcester	1	16	16	19	17
Maryland	**55**	**341**	**384**	**554**	**871**

Note: Eighty-nine (89) was the cut-off selected based on the following research: HUD Office of Policy Development & Research. (2006). Multifamily Properties Opting in, Opting out, and Remaining Affordable (*www.huduser.gov/Publications/pdf/opting_in.pdf*)*; and HUD Office of Policy Development & Research. (2015).* Opting Out a Decade Later (*www.huduser.gov/portal/ sites/default/files/pdf/508_MDRT_Opting%20In_Opting%20Out.pdf*).

Understanding the reasons for why property owners do not renew their subsidies helps us understand the potential scale of loss if subsidies are not renewed. Risk factors for non-renewal include:

- age of property
- properties owned by for-profit enterprises
- properties where families are the target tenant
- properties with less than 50 units
- properties with a low percentage of assisted units
- properties with low REAC scores

Summary

- Rent price growth outpacing income growth
- Increasing cost burden amongst renters
- Over the next 10 years, unless action is taken, the share of cost burdened residents will increase
- Potential challenge: preventing the loss of affordability restrictions on vulnerable properties
- COVID-19: these issues are all the more critical
- Questions?
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