

Addressing need to invest in affordable housing

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For nearly a year, yet another Montgomery County government task force has been brainstorming ideas for solving, or at least easing, the affordable housing crunch. The group has come up with a couple ideas worth pursuing and a couple that are politically unlikely to see the light of day.

While the county has been a national leader with model plans to assist lower- and moderate-income home buyers — the county's Moderately Priced Dwelling Unit program dates to 1973 — an ever-increasing number of middle-class families, not to mention single people, still can't afford to rent or buy in Montgomery.

A wave of mortgage foreclosures, which have skyrocketed 77 percent over the past year in the county and are pushing more homeowners over the brink, is bringing new urgency to a search for answers.

According to the latest task force's report, released in time for last Friday's Affordable Housing Conference, a family of four — two adults and two children — must have a household income of \$67,000 a year to rent a two-bedroom apartment. Other threshold numbers are equally bracing: In order to buy a house, family income must be at least \$91,000. Last year, the median price for a new, single-family, detached house reached a record \$1.1 million. There are more than 5,000 names on waiting lists for public housing.

Suggestions to help ease the pinch include a new impact fee on commercial development projects — shops, offices, hotels and laboratories, for instance — as well as accelerating regulatory reviews of affordable housing projects, promoting denser developments near public transit stations and building housing on public land.

For government employees like teachers and police officers, the task force proposed property tax and fee abatements. Adding so-called accessory apartments in single-family houses could also get easier under another recommendation.

Several strategies borrow from other regions, notably California where housing costs also are in the stratosphere, and others expand on established county programs. All are easier said than done.

An essential element in any expanded program is ensuring the county keeps what affordable housing is already here so moderately priced units don't disappear when market conditions change, as a few did when developers rushed to convert apartments to condominiums.

County Executive Isiah Leggett's budget proposal for the year ahead includes increasing the size of the county's Housing Initiative Fund and using bonds to add more money to the pool to help buy properties and offer incentives, modest steps. The task force report also recommends giving the county greater latitude to buy existing properties. Any catalyst to encourage greater private investment should be welcomed.

Some of the concepts, such as a new level of impact fees on business property construction to subsidize affordable housing, probably won't and shouldn't fly. Allowing more housing density, and concentrating moderate-income housing in one area, are ideas that can lead to bigger problems if not well planned. As the county looks to add affordable housing, it also must remain vigilant to established neighborhoods, enforcing existing codes so single-family houses don't become boarding houses.

Finding the right balance has long been elusive and solutions have become more stubborn in an era of soaring property values, the subprime loan crisis and course changes over growth policy.

This spring the County Council has an opportunity to advance greater investment, as suggested by the county executive, to protect the inventory of affordable housing and create incentives for developers and buyers.