

## 9 Housing

Between 2000 and 2005, the number of housing units in Garrett County increased by 10 percent, from 16,761 to 18,326 units (Table 9.1). Approximately 15,000 of these units (82 percent) are located in the unincorporated areas of the County, including the Deep Creek Lake area. As described in Chapter 2, this Comprehensive Plan projects a 37 percent increase in housing units through 2030, for a total of approximately 25,000 units (Table 9.1).

**Table 9.1: Housing Units, 2000 through 2030**

Jurisdiction	2000 Census		2005 Estimate		2030 Projection		Actual Change, 2000-2005		Projected Change, 2005-2030	
	Num.	Pct.	Num.	Pct.	Num.	Pct.	Num.	Pct.	Num.	Pct.
Towns	3,130	19%	3,287	18%	3,962	16%	157	5%	675	21%
Accident	162	1%	168	1%	193	1%	6	4%	25	15%
Deer Park	181	1%	181	1%	256	1%	-	0%	75	41%
Friendsville	266	2%	281	2%	306	1%	15	6%	25	9%
Grantsville	298	2%	305	2%	405	2%	7	2%	100	33%
Kitzmilller	155	1%	164	1%	189	1%	9	6%	25	15%
Loch Lynn Heights	202	1%	210	1%	235	1%	8	4%	25	12%
Mountain Lake Park	948	6%	1,017	6%	1,167	5%	69	7%	150	15%
Oakland	918	5%	961	5%	1,211	5%	43	5%	250	26%
Rest of Garrett County	13,631	81%	15,039	82%	21,114	84%	1,408	10%	6,075	40%
<b>Total County</b>	<b>16,761</b>	<b>100%</b>	<b>18,326</b>	<b>100%</b>	<b>25,076</b>	<b>100%</b>	<b>1,565</b>	<b>9%</b>	<b>6,750</b>	<b>37%</b>

Source: U.S. Census, Maryland Department of Planning, Garrett County

With this increase in housing over the next 25 years the major housing issues facing Garrett County are the:

- Need to provide affordable workforce housing; and
- Age and condition of portions of the existing housing stock.

The Deep Creek Lake area has special housing issues. Additional detail on these is in Chapter 4.

### House Bill 1160 Workforce Housing Grant Program

This chapter is intended to meet the eligibility requirements under House Bill 1160 Workforce Housing Grant Program. That bill requires the County to have a comprehensive plan with a workforce housing element that assesses workforce housing needs and contains goals, objectives and policies that preserve or develop workforce housing.

#### 9.1 Goals and objectives

The County's housing goals and objectives are:

1. Increase the amount of housing in Garrett County that is affordable to residents at all income levels.
2. Direct housing development to the Towns and to designated growth areas.
3. Ensure a broad variety and diversity of housing in the County.
4. Encourage rehabilitation and renovation of existing older substandard housing units.

#### 9.2 Existing conditions

In 2000, there were 16,761 housing units in Garrett County, a 19 percent increase compared to 1990 (Table 9.2). Of the 16,761 units, the majority (12,624 units or 75 percent) were single

family detached homes. Between 1990 and 2000 the mix of housing units in the County changed slightly. The share of single family detached units increased by one percent to 75 percent of the total units in the County. Likewise, the share of single family attached units increased by one percent to four percent of the total units in the County. The share of multi-family housing units (apartments and townhomes) increased by two percent to eight percent in 2000. The only type of housing to decrease between 1990 and 2000 was the share of mobile homes, trailers and similar units, which decreased by four percent to 13 percent of total units in the County (Table 9.2).

**Table 9.2: Housing Type and Tenure, 1990 to 2000**

	1990		2000		Change 1990-2000	
	Number	Percent	Number	Percent	Number	Percent
Units in Structure						
1 unit detached	10,465	74%	12,624	75%	2,159	21%
1 unit attached	367	3%	589	4%	222	60%
2 or more units	904	6%	1,400	8%	496	55%
Mobile Home, Trailer, Other	2,383	17%	2,148	13%	-235	-10%
<b>Total</b>	<b>14,119</b>	<b>100%</b>	<b>16,761</b>	<b>100%</b>	<b>2,642</b>	<b>19%</b>
Owner Occupied	7,998	57%	8,945	53%	947	12%
Renter Occupied	2,112	15%	2,531	15%	419	20%
Vacant	4,009	28%	5,285	32%	1,276	32%
For seasonal, recreational, or occasional use	3,084	77%	4,191	79%	1,107	36%
<b>Total</b>	<b>14,119</b>	<b>100%</b>	<b>16,761</b>	<b>100%</b>	<b>2,642</b>	<b>19%</b>

Source: U.S. Census

Note: Information at this detail is only available at the decennial census—that is for 2000, but not for 2005.

A little over half of the housing units in Garrett County in 2000 were owner occupied (8,945 units or 53 percent). The number of owner occupied units increased by 12 percent compared to 1990, but overall there was a decrease in the share of housing that was owner occupied from 57 percent to 53 percent (Table 9.2). Renter occupied housing accounted for 15 percent (2,531 units) of the housing units in 2000, the same share as in 1990. Only 419 new renter occupied units were added between 1990 and 2000. The remaining approximately 5,300 units (32 percent) were vacant in 2000. There was a 32 percent increase in vacant units compared to 1990 (Table 9.2). Of the 5,285 vacant units, 4,191 (79 percent) were for seasonal, recreational, or occasional use, primarily in Deep Creek Lake area.

**9.3 Discussion of Issues**

The need for affordable, quality workforce housing is the main housing issue facing the County. In addition to being a basic need for many residents, affordable housing is also an economic development issue in Garrett County, influencing ongoing economic growth and the recruitment of businesses and workers (see Chapter 11, the Economic Development Element). There are two key ways to meet this need: i) upgrades to the existing housing stock and ii) new affordable housing.

**9.3.1 Cost of housing (Affordability)**

Affordability is a function of income and the cost of housing. Although Garrett County is perhaps best known outside the County for the luxury vacation homes around Deep Creek Lake, average incomes of County residents are low. The median household income in Garrett County in 2005 was \$39,000, \$25,300 less than the median household income for the

State of Maryland (\$64,300)<sup>1</sup>. In 1999, the median household income in all of the Towns in the County was lower than that of the State, as was the Countywide median income (Table 9.3).

**Table 9.3: Median Household Income, 1999, 2005**

<b>Jurisdiction</b>	<b>1999</b>	<b>2005<sup>1</sup></b>
Garrett County	\$32,238	\$39,250
Maryland	\$52,868	\$64,450
Accident	\$22,500	\$27,394
Deer Park	\$26,339	\$32,068
Friendsville	\$24,286	\$29,568
Grantsville	\$27,778	\$33,820
Kitzmilller	\$25,000	\$30,438
Loch Lynn Heights	\$31,875	\$38,808
Mountain Lake Park	\$27,917	\$33,989
Oakland	\$26,728	\$32,542

Sources: 2000 U.S. Census, MDP, ERM

1: 2005 data for Maryland and Garrett County from MDP. 2005 income data was not available for the municipalities. Incomes for municipalities were estimated, assuming the same growth rate as was experienced countywide.

The Maryland Department of Housing and Community Development (DHCD) produces a statewide Homeownership Affordability Index. Between September 2006 and February 2007, Garrett County ranked as the least affordable county in the state to buy a home.<sup>2</sup>

Another important measure of affordability is the share of income spent on housing. Generally households spending more than 30 percent of their income on housing are considered to be burdened, that is the cost of housing leaves insufficient funds for other needs such as food and transportation. In 2000, approximately 1,200 homeowner households (19 percent) spent more than 30 percent of their household income on housing and over 900 households (15 percent) spent over 35 percent of household income on housing (Table 9.4). The towns of Deer Park and Friendsville had particularly high percentages of households spending 35 percent or more of their income on monthly housing costs (19 and 24 percent). The share of income spent on housing is also a concern for the County’s senior population, many of whom live on fixed incomes and thus have less ability to afford increasing housing costs.

Garrett County renter households also experienced affordability issues with respect to the amount of household income spent on monthly housing costs. In 2000, 735 renter households (32 percent) spent 30 percent or more of their household income on monthly housing costs (Table 9.4). Over 500 renter households (23 percent) spent 35 percent or more of their household income on monthly housing costs. Five of the eight towns in Garrett County had a higher percentage of renter households spending 35 percent or more on monthly housing costs than the County as a whole.

<sup>1</sup> Source: Maryland Dept of Planning, Planning Data Services, November 2006

<sup>2</sup> Source: Blueprint Maryland, April – May 2007. [http://www.blueprintmaryland.com/document/BP\\_0407.pdf](http://www.blueprintmaryland.com/document/BP_0407.pdf). Note this measure includes real estate within the Deep Creek Lake area. The affordability index would likely be higher (more affordable) if this area was disaggregated.

**Table 9.4: Monthly Housing Costs as a Percentage of Household Income**

Jurisdiction	Owner Households				Renter Households			
	30% or more		35% or more		30% or more		35% or more	
	Num.	Pct.	Num.	Pct.	Num.	Pct.	Num.	Pct.
Accident	8	12%	8	12%	16	29%	10	18%
Deer Park	14	19%	14	19%	26	41%	23	36%
Friendsville	26	28%	22	24%	40	36%	20	18%
Grantsville	22	18%	16	13%	40	29%	35	25%
Kitzmilller	9	13%	9	13%	4	10%	2	5%
Loch Lynn Heights	21	17%	17	14%	25	60%	21	50%
Mountain Lake Park	61	13%	35	7%	134	39%	97	29%
Oakland	47	14%	28	8%	146	39%	95	25%
Garrett County	1157	19%	903	15%	735	32%	536	23%
Maryland	269,524	23%	189,225	16%	220,031	35%	170,658	27%

Source: U.S. Census, 2000 – Summary File 3, Tables H94 and H69.

**Cost of land**

Housing affordability in Garrett County is further complicated by the high cost of land. According to a 2005 study, the cost of residential lots in Garrett County has, “doubled from approximately \$10,000 to \$15,000 per acre just a few years ago to at least \$20,000 to \$30,000 per acre”<sup>3</sup>. This increase in land value is largely attributable to the strong demand for development (particularly second and vacation homes) in the Deep Creek Lake area.

The Garrett County Board of Realtors® reports a wide range of values in rural building lots, with some showing little appreciation over the past ten years and some with appreciation consistent with the general increase in property values seen in the state and region<sup>4</sup>.

While land costs have accelerated particularly rapidly in the Deep Creek area, there is general consensus that the “lake effect” has affected overall land costs in the County. The rising cost of land adds to the cost of new housing making it harder to produce workforce housing.

**9.3.2 Condition/Age of Housing Stock**

In most communities the existing housing stock is an important source of affordable housing, especially for renters and first time home buyers. Garrett County’s housing stock is unable to fully meet these needs because of its age and condition.

**Condition**

Garrett County has a relatively high number of substandard housing units (Table 9.5). In 2000, 316 units (1.9 percent) of the total number of housing units in Garrett County lacked complete kitchen facilities and 2.2 percent of the total number of housing units in the County lacked complete plumbing facilities, higher than the percentages of units lacking similar facilities in the State as a whole.

<sup>3</sup> “An Assessment of Housing in Garrett County, Maryland: Exploring Issues Associated with Affordable Housing”, Terrell Ellis & Associates, Inc, October 2005, page 30.

<sup>4</sup> Garrett County Board of Realtors® comments on Garrett County Comprehensive Plan, April 8, 2008 (full text in Appendix).

**Table 9.5: Units Lacking Complete Kitchen and Plumbing Facilities, 2000**

	<i>Units Lacking Complete Kitchen Facilities, 2000</i>		<i>Units Lacking Complete Plumbing Facilities, 2000</i>	
	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>
Garrett County	316	1.9%	370	2.2%
Maryland	8,223	0.4%	9,033	0.5%

Source: U.S. Census, 2000

While the census count of the number of substandard units is a little less than 700, housing providers that work with substandard housing believe that the number of substandard housing units in a community is usually greater than shown in the Census data, based on factors not considered by the Census such as the condition of roofs and other structural components. As of 2004 the Maryland Department of Assessments and Taxation’s property database reported that approximately 1,000 (seven percent) of the homes in Garrett County were in “poor” condition and approximately 4,500 (31 percent) were in “fair” condition. A visual assessment of Garrett County’s housing stock conducted in 2005 identified a general need for rehabilitation of existing structures. The assessment concluded that a, “large percentage of the structures may contain asbestos, lead-based paint and/or lead-based solder in water pipes”<sup>5</sup> since these were the types of materials used during the time these structures were built. Rehabilitating and upgrading existing housing stock would provide a greater inventory of available housing for workforce families.

**Age**

The median year housing structures are built is another indicator of the condition and livability of the housing stock in a place. In 2000, the median age of owner occupied housing in the County 27 years, one year younger than the median age of owner occupied houses in the State (28 years old) (Table 9.6). The younger median age reflects the number of homes built in the Deep Creek Lake area between 1990 and 2000.

**Table 9.6: Median Year Owner Occupied Structure Built**

<b>Jurisdiction</b>	
Accident	1975
Deer Park	1971
Friendsville	1940
Grantsville	1948
Kitzmilller	1940
Loch Lynn Heights	1949
Mountain Lake Park	1970
Oakland	1956
Garrett County	1973
Maryland	1972

Source: U.S. Census, 2000



**Examples of older housing units located in Crellin.**

The housing in most of the County’s towns was significantly older than the State. Only in the town of Accident, was the housing stock younger than the State’s (25 years old).

Some older housing is structurally sound and can be attractively renovated to meet today’s needs. However, much of Garrett County’s older housing is small, energy inefficient with

<sup>5</sup> “An Assessment of Housing in Garrett County, Maryland: Exploring Issues Associated with Affordable Housing”, prepared for the Garrett County Community Action Committee by Terrell Ellis & Associates, Inc.

older plumbing, electric and heating service. The cost of renovating such housing units to meet today's needs often exceeds their total value.

## 9.4 Need Estimate

Three estimates have been made of the number of affordable housing units that will be needed over the next ten years in Garrett County:

- The Governor's Commission on Housing Policy estimated a need for 613 affordable rental housing units by 2014<sup>6</sup>;
- The Garrett County Community Action Committee (CAC) estimated a need for 244 rental units and 892 single family homes by 2014<sup>7</sup>; and
- More recently, the Garrett County CAC has estimated a need for 700 to 1,000 units in the Deep Creek Lake area to meet the housing need of current and future employees within the Lake area<sup>8</sup>.

Based on these assessments this Comprehensive Plan estimates that construction of approximately 1,000 affordable units in the Deep Creek Lake Area and approximately 300 to 400 affordable housing units in the rest of the County, including the towns, would meet the need for affordable housing in the County through 2030. This number represents approximately 20 percent of the total number of housing units projected to be built in the County through 2030 a high target.

## 9.5 Workforce Housing Providers

This section discusses the work of agencies and organizations that provide workforce housing in Garrett County.

### Garrett County Community Action Committee

Garrett County Community Action Committee (CAC) is a private, non-profit corporation that works with partners to build a stronger community and to provide services that improve the quality of life in Garrett County. One of CAC's main focuses is to provide affordable housing to low income and workforce families. CAC uses various programs to assist homeowners, homebuyers, renters, and those who are homeless or facing a housing crisis:

- A Home Repair Loan Program provides loan assistance to low income homeowners to help them maintain a safe, affordable and healthy home.
- A First Time Homeowner Program provides counseling, training and down payment assistance to as many as 65 potential homebuyers each year through a partnership with local banks and the U.S. Department of Agriculture Rural Housing Service.
- A Section 8 Tenant-based and Project Unit-based Assistance Program provides long-term rental leasing assistance based on income (typically targeted at families making 40 to 60 percent of County median income, with an additional subsidy for families making less than 40 percent of the median), family size, and other requirements to as many as 200 participants each year.

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<sup>6</sup> "Workforce Affordable Housing in Maryland", Maryland DHCD and the Governor's Commission on Housing Policy, August 2004.

<sup>7</sup> "An Assessment of Housing in Garrett County, Maryland: Exploring Issues Associated with Affordable Housing", Terrell Ellis & Associates, Inc, October 2005.

<sup>8</sup> Garrett County Community Action Committee, based on 2007 informal survey of major employers in the Deep Creek Lake area.

In addition to these programs, the CAC is the developer and owner of over 400 rental housing units in Garrett County. The CAC builds single family homes, which are sold to graduates of its First Time Homebuyer Program. The CAC also develops and sells lots in single family subdivisions for low and moderate income homebuyers in the County.

The third and final phase of the CAC's most recent housing development, Mountain village, located on Pysell Road in McHenry, was completed in 2007. The total development includes 88 affordable rental units, which were 100 percent occupied as of September 2007. The CAC is also in the planning stages for two other developments which it hopes will provide approximately 480 new units when complete:

- The White Face Farm property northeast of McHenry on Bumblebee Road was acquired by the county and is intended as a joint economic development and housing site. The Lake Hill housing component is in preliminary planning stages and will comprise approximately 250 total owner occupied units of mixed unit types.
- River Hill located on Liberty Street in the Town of Oakland will have approximately 230 units, among which would be affordable for sale units, elderly rental units, and mixed market rate units.

The CAC has also acquired land in the Town of Grantsville for future housing development.

The CAC frequently coordinates affordable housing activities with DHCD, the single largest funding source for for-sale and rental housing for low and moderate income households in the state. In particular, DHCD provided funding for the Mountain Village project.

### Task Force Committee on Workforce Housing

As described in the introduction to Section 9.3, affordable housing is an economic development issue. In 2007 the CAC and the Garrett County Development Corporation (which provides financial and technical assistance to existing and new businesses) created a task force committee on Workforce Housing to address the gap in residents' income and the housing available to them on the private market. The committee conducted research and developed policies and actions—in the form of the Workforce Housing Plan—to address the lack of affordable housing for workforce families in Garrett County.

The Workforce Housing task force coordinated the development of the Workforce Housing Plan with this Comprehensive Plan element. The two documents share some of the same goals, policies, and actions, notably Goal #1 in this chapter.

### USDA Rural Development

The USDA Rural Development's Rural Housing Service offers assistance to first time low income homebuyers through various loan programs:

- Single-Family Home Loan Program (Section 502): provides low interest loans directly from the USDA to homebuyers who would not otherwise be able to afford regular monthly mortgage payments with higher interest rates. With this loan, there is no down payment required and the interest rate can be as low as one percent, depending on the size of the family.
- Guaranteed Single-Family Home Loan Program: low and moderate income families can qualify for loans directly from a bank or mortgage company through this program. This is possible because the Federal Government guarantees the lender up to 90 percent of its losses if the homeowner defaults on the loan.

The USDA provides approximately 15 of these loans a year to County residents. Through 2030 this would amount to 375 units of housing.

### Habitat for Humanity

Habitat for Humanity is a non-profit, volunteer organization that builds approximately two to three houses a year in Garrett County. Habitat houses are sold to low income families in need of shelter. These homes are built at no profit and families receive affordable loans and monthly mortgage payments. All mortgage payments are used to build future Habitat homes.

### Homeless

There is no homeless shelter in Garrett County, but the CAC houses people who are considered homeless in motels until more permanent housing can be provided. In 2006 CAC has sheltered 157 different individuals in motels for one to three nights. CAC also owns and operates Rose Terrace Transitional Housing, located at its offices in the Town of Oakland, which provides temporary housing for homeless. Rose Terrace has nine individual units available for rent with common kitchen, living and dining facilities. This facility provides a temporary housing option until an apartment becomes available or more permanent accommodations can be obtained.

## **9.6 Policies and Actions**

Garrett County will need approximately 1,400 affordable housing units by approximately 2030. With approximately 470 units in the planning stages (see above), an additional 800-900 units will be needed (including rental units and owner-occupied units). The Comprehensive Plan endorses the Workforce Housing Plan. The following policies and actions are intended to help the County meet the need for affordable housing, and are generally in line with the recommendations in the Workforce Housing Plan:

1. Expand opportunities for higher density development that will facilitate the provision of affordable housing. This Comprehensive Plan's land use plan (Chapter 3) recommends conversion of land in the lower-density R and SR classifications to TR near the Towns of Grantsville and Oakland; and between the Towns of Loch Lynn Heights and Deer Park. In addition, the Chapter 3 recommends new growth areas outside the Towns of Grantsville, Oakland and Friendsville.
2. Continue to support the CAC, the state Department of Housing and Community Development, USDA Rural Development, and Habitat for Humanity in their affordable housing development efforts. Providing land and facilitating the development of infrastructure (water, sewer, electricity, and roads) are particularly effective means to reduce the cost of housing development.
3. Consider means for businesses creating new jobs to be a supportive partner in contributing to the provision of the affordable housing needed for the employees of these jobs. The need is particularly acute in the Deep Creek Lake area where many service jobs are needed to support resort based activities, but where housing for holders of these jobs is expensive to develop. Businesses could contribute in different ways: directly providing housing, partnering with the CAC, providing land for housing, or contributing financially to organizations such as the CAC who develop housing.
4. Continue programs to rehabilitate existing substandard housing in the County. This action will increase the number of affordable housing units available to workforce families.
5. Consider tax or other incentives for developers that build affordable housing, including affordable units in the same subdivision as more expensive units.