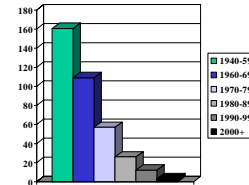


## Cumberland New Housing Plan

City of Cumberland  
Draft February 2003  
<http://www.AdventureGovernment.com>

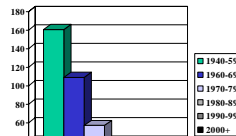
## The Background

- Declining housing construction
- Identified need for additional new housing stock by independent housing study, realtors
- Historically low mortgage interest rates



## The Background

- Age of housing stock (over half built before 1940)
- Geometrical increase in blighted property problem (6 properties two years ago, this year 12, next year 24, 48, etc.)



## Target Groups

- Developers (Spec homes)
- First-time homeowners
- Low/Moderate Income homeowners
- Construction trades students
- Anyone else who is interested in building a new home

## Housing Plan Components

- Incentives
  - (1) Infrastructure participation plan.
  - (2) Fee waiver/property plan.
  - (3) Fee waiver/property down-payment plan.
  - (4) Need neighborhood infill plan.
  - (5) Need neighborhood tax-abatement plan.
  - (6) Self-help housing.
  - (7) Vo-tech housing construction.
  - (8) City surplus land subdivision plan.

## Housing Plan Components

- Other components
  - (1) Annexation of buildable areas.
  - (2) Code enforcement.
  - (3) Pursue Section 8 ownership plan
  - (4) Large scale blight removal projects (bond/state/federal funding)
  - (5) HOPE VI program

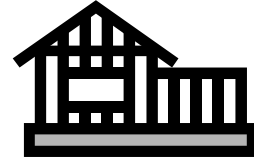
## Infrastructure Participation Plan

- Fund up to half of portion of selected infrastructure costs of new subdivision.
  - City contribution must have 10 year payback in real property tax base increment or deficit must be refunded.
  - City crews may provide city portion of work.
- Target group: developers



## Fee Waiver/Surplus Property Plan

- All construction fees would be waived.
  - Water tap, sewer tap, building permit fee.
- Surplus properties in need areas would be donated.
- Target group: homebuilders, homeowners
  - Example: \$100,000 home
    - \$3,800 savings.



## Fee waiver/property down-payment plan.

- City offers down-payment to homeowner equivalent to fee-waiver and donated property assessed value.
- City is compensated for both once home is financed.
- Target: first-time homeowners, low-moderate income homeowners



## Need Area Infill Plan

- Participate in site improvements (e.g., sidewalks, sidewalk landscaping) for CDBG eligible owners that build infill.
- Program may be coupled with fee waivers.
- Infill housing must be located in "need area."
- Target: low/moderate income residents.



## Need Area Tax Abatement Plan

- Abate ½ taxes for 10 year period for new infill.
- Abate remaining ½ taxes or amount of blighted property removal if designated blighted property removed in process.
- This plan would require changes in COMAR.
- Target group: Homeowners, commercial



## Self-Help Housing

- Secure CDBG funding for two infill self-help housing units per year
- Target: Low/moderate income residents



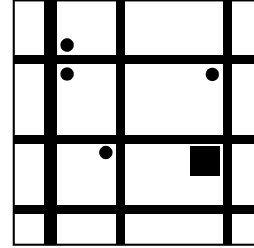
## Vo-tech Housing Construction

- Donate one surplus lot to Vo-tech students for house construction each year.
- Target: Construction trades students



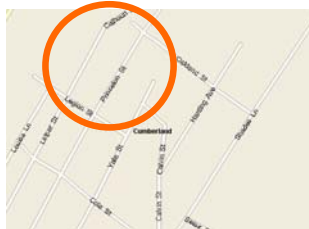
## City Surplus Land Plan

- City develops streets in city-owned subdivisions
- Lots are sold at market rates.
- Developers/homeowners are eligible for fee waiver plans.



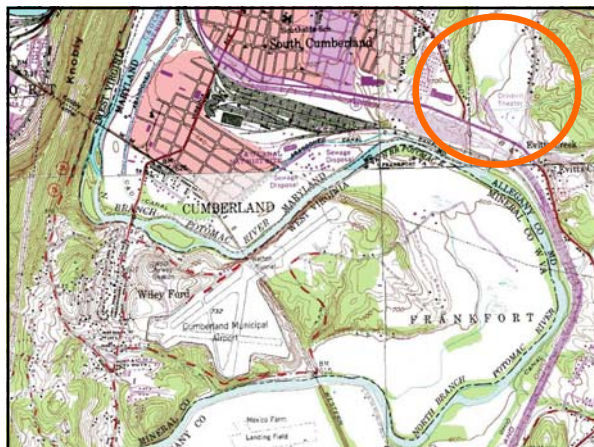
## City Surplus Land Plan

- Examples of City-owned platted subdivisions.
  - Schades Lane
- Target groups: Developers, homeowners



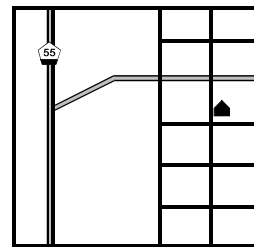
## Annexation of Buildable Areas

- Annex areas where buildable lots can be developed



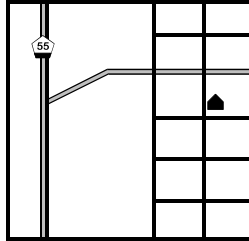
## Program Requirements

- Must choose one of the plans (cannot for example choose both 1 and 2).
- Must meet requirements of permits
- No dwellings with more than 2 units.
- Must petition M&CC for final approval.



## Requirements

- Common front exterior façade for units in specified areas (e.g., historically designated neighborhoods)
- Infill units must be within X feet of existing development, must be in X feet of water and sewer system, must have street access, etc.
- No guarantee program parameters will be same in future (program will be modified as needed). Offered on 18 month trial basis.



## Marketing the Program

- Description of program (brochure and website)
  - Pictures of publicly owned subdivisions on website
  - Pictures of individual city-owned surplus lots, locations, and assessed values.
  - Pictures of city-owned blighted properties.
  - Pictures of model homes and success stories.
  - Links to homebuilders, lending institutions, and other homeowning programs (e.g., NHS)



## Marketing the Program

- Present program at regional homebuilders' conferences, Pace, Pace Plus, etc.
- Develop brochure with comparative cost of taxes/services compared to outlying areas
- Collaborate more closely with non-profit providers in grant fund coordination and encourage marketing of 'new construction alternative.'



## Timeline

- January 17<sup>th</sup> worksession. Present preliminary plan.
- March 11. Present final plans.
- March. Have program literature ready for distribution

