

Housing and Neighborhoods Element

Introduction

Hagerstown's diverse array of neighborhoods is an essential part of the City's character. Healthy, stable neighborhoods are important for the future growth and success of the City. This chapter establishes policies for housing and neighborhoods in Hagerstown.

Goals

1. Achieve an overall residential mix that reflects the range of incomes of people who live or work in the City, Washington County, and the region beyond.
2. Improve the conditions of Hagerstown's challenged neighborhoods.
3. Blend new residential development into the fabric of existing neighborhoods through complementary design and interconnectivity.

Issues Addressed by this Element

1. Hagerstown's low home-ownership rate challenges neighborhood stabilization and improvement efforts.
2. Hagerstown's less affluent neighborhoods lack investment and improvement.
3. Quality affordable housing and "workforce" housing are in short supply in the City.

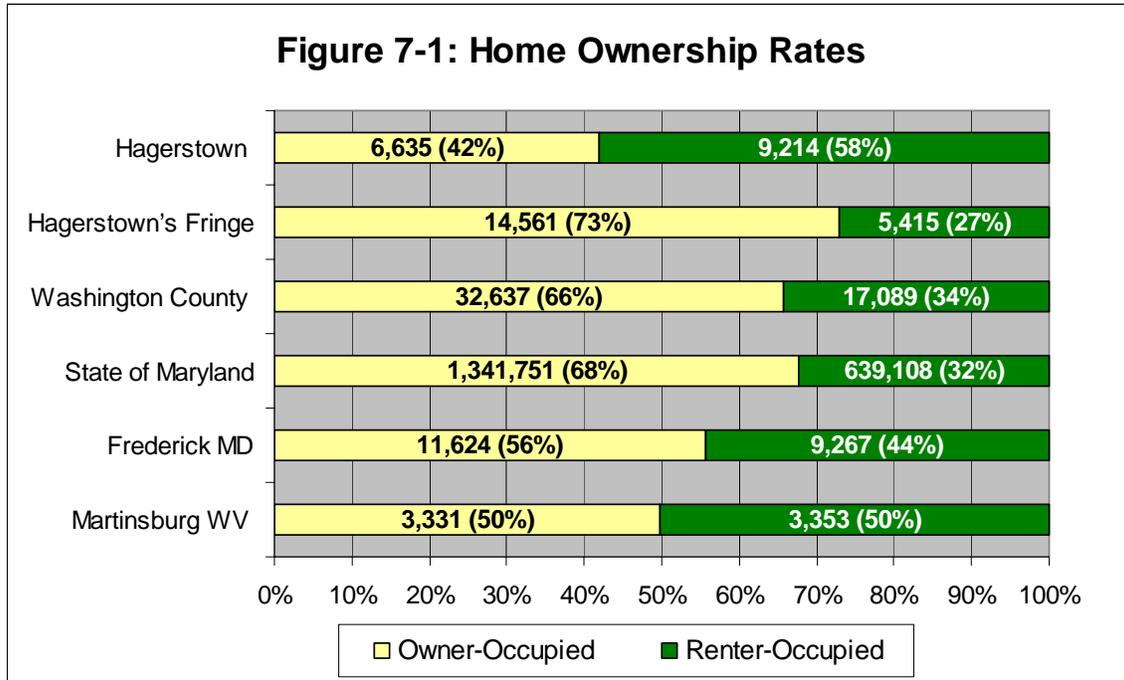
Previous Plans

Hagerstown is a city of interwoven neighborhoods, each of which has its own unique urban character. All of Hagerstown's previous Comprehensive Plans established goals and policies to address neighborhood-level issues and concerns. The 1997 Comprehensive Plan's Land Use Plan delineated 23 City neighborhoods (shown in Figure 1-9), and a 24th neighborhood was added via amendment in 2002. The plan gave a detailed urban design assessment of each neighborhood, and made recommendations to address each neighborhood's specific issues and opportunities.

The 2008 Comprehensive Plan focuses on citywide issues, primarily growth management, land use, economic development, and transportation. As such, it does not substantially revise the neighborhood-based policies of the 1997 plan, which are attached in the Appendix for reference purposes.

Owner and Renter Occupancy

Homeownership is a key to stabilizing neighborhoods. As with any city, a percentage of Hagerstown's housing units are occupied by renters. However, as Figure 7-1 shows, Hagerstown has a much higher share of renter-occupied units than in Washington County and other nearby cities.



Hagerstown’s role as a regional center attracts a large renter population—a phenomenon evident in comparable cities like Frederick and Martinsburg. Hagerstown’s neighborhoods—especially those near the downtown—offer lower-cost housing that is suitable for residents who cannot afford to—or simply prefer not to buy homes. However, the number of renter-occupied units in Hagerstown is higher than the City would like.

Conversely, Hagerstown’s 42 percent home ownership rate is significantly lower than the 68 percent statewide average. The comparison between the City and the County and fringe is significantly different. Despite having more total housing units than Hagerstown, the fringe has several thousand fewer renter-occupied units. Hagerstown has one-third of the County’s total housing stock, but more than half of the County’s renter-occupied housing stock.

Workforce Housing

The lack of workforce housing—units that are affordable to workers whose household income is at or near the regional median income—is a growing concern in Hagerstown and the surrounding region. A broad range of workers need workforce housing, ranging from police officers, firefighters, nurses, and teachers, to manufacturing and retail workers. Workforce housing is also the first home for many younger workers who are new to the job market.

The cost of workforce housing in Hagerstown and the surrounding area is quickly exceeding the ability of working families to own a home. In 2000, the median household income for the City of Hagerstown was \$30,796 (in Washington County, it was \$40,617). In 2005, the median income in Washington County was \$47,050, but the annual income needed to afford a median-priced home (\$240,000) was \$76,190 (data for Hagerstown

alone were not available for 2005).¹ Workforce housing is becoming even more expensive in neighborhoods near the downtown known for comparatively cheaper housing. Many of the housing units in these neighborhoods are outdated or deteriorated, and their sale prices do not reflect the amount of money needed for modernization at the time of this writing. Thus, even “affordable” units may ultimately prove too expensive for workforce buyers.

The widening gap between salaries and housing price has several negative impacts. It makes employee recruitment more difficult, thus threatening economic development efforts. The lack of workforce housing also makes it more difficult for Hagerstown and the surrounding area to attract new residents.

Ongoing Housing and Neighborhood Revitalization Efforts

Neighborhoods 1st

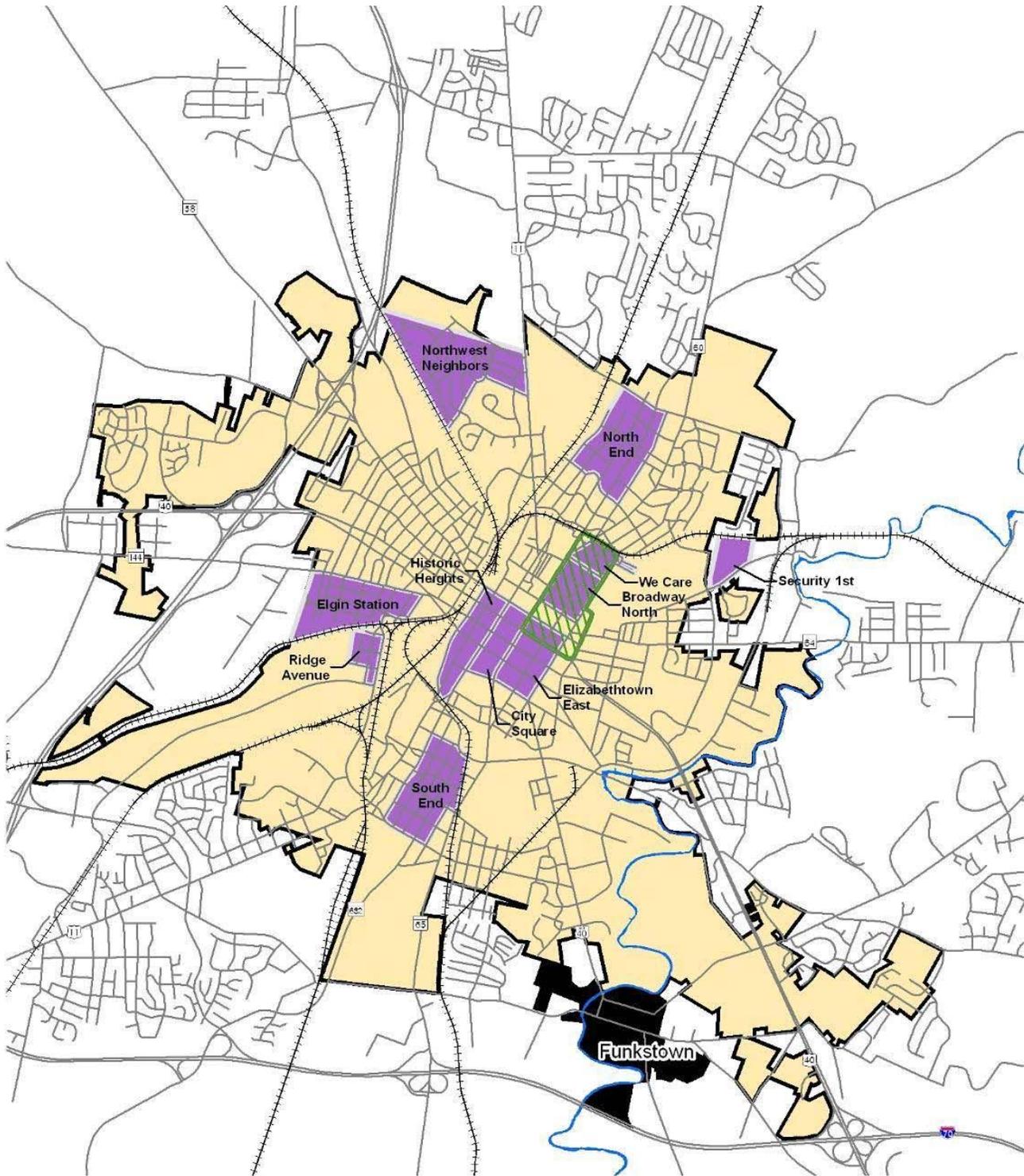
Since 1996, the Neighborhoods 1st program has been a key City response to housing- and neighborhood-related concerns. The program encourages citizen participation in local government processes, to give residents more responsibility for the well-being of their neighborhoods. Under this concept, a network of neighborhood associations works in partnership with the City to identify, plan for and implement improvements in their neighborhoods. As of 2006, there were eleven Neighborhoods 1st groups, as shown in Figure 7-2.

Comprehensive Neighborhood Revitalization

Hagerstown is currently looking at “comprehensive neighborhood revitalization” to spur improvements, especially in neighborhoods near the downtown. This is a focused effort dealing with the needs of a particular neighborhood. The first step is an in-depth analysis of the needs of an area, from which a multi-year plan is developed to address the identified needs. Implementation of the plan follows, ideally within three to five years.

The end result of comprehensive neighborhood revitalization is neighborhoods that offer a variety of housing options at reasonable cost, neighborhood amenities such as green space and off-street parking, upgraded streets and infrastructure, and improved traffic conditions. It is particularly important that public housing and subsidized housing be decentralized, so that Hagerstown’s neighborhoods, especially the downtown, are not seen as the solution for the County’s overall low-income housing needs. In August 2005, the Hagerstown Neighborhood Development Partnership proposed that the northeast quadrant of the downtown (as shown on Figure 7-2) be the first comprehensive neighborhood revitalization area.

¹ Source: Recommendations of the Washington County Workforce Housing Task Force, October 2005.



City of Hagerstown Comprehensive Plan
Figure 7-2: Neighborhood Revitalization Programs



Legend

 Hagerstown Corporate Boundary

Neighborhood Revitalization Programs

 Comprehensive Neighborhood Revitalization (Proposed)

 Neighborhoods 1st Group

Other Efforts

- **Residential Rental Licensing Program.** Established by ordinance in 2003, the Rental Licensing Program allows the City's Office of Code Administration to conduct annual external inspections of rental property, as well as interior inspections every three years. This effort has greatly increased the City's ability to proactively address unsafe property conditions and code compliance.
- **Downtown Residency Initiative.** This program encourages recent college graduates, recently honorably discharged veterans, full-time employees of local, county, state or federal government agencies, and professionals to live in the downtown area. Under this program, downtown renters receive a subsidy of \$100 per month for one year, and home buyers receive \$1,500 toward closing costs.
- **Homeownership Program.** Under this program, the City buys deteriorated houses, then rehabilitates and resells them to income eligible households with good or improving credit. The program is financed through sales of homes. Homes sell for the appraised value after rehabilitation, and only a \$500 down payment is required. As the purchase price for the housing stock continues to rise, this program will become increasingly harder to fund.
- **Housing Rehabilitation.** The Department of Community Development administers a number of state and local programs that give grants and low-cost loans for home improvements, emergency repairs, and lead paint removal.
- **Livable City Initiative.** The Livable City program brings design continuity to City neighborhoods by focusing on improved park amenities, public sidewalk repairs and enhancements, street tree planting, and traffic island installation.
- **Parking Programs.** The Project Park Inside Loan Program offers low-cost deferred loans to property owners who want to create off-street parking behind their properties. The City has also purchased vacant lots in residential areas and converted them to small parking lots, to serve the immediate neighborhood.
- **House Keys 4 Employees.** Through this program, the Maryland Department of Housing and Community Development matches dollar-for-dollar contributions from participating employers toward employees' down payment and closing costs, up to \$8,000.

Housing and Neighborhood Policies

- Policy 7-1.** New residential development in the downtown will include owner-occupied and renter-occupied units with a broad range of prices.
- Policy 7-2.** Hagerstown will continue to use comprehensive neighborhood revitalization strategies to address the needs of its neighborhoods. These strategies should be a part of the implementation process for Special Planning Areas, as described in the Growth Management and Land Use element (see Table 2-5 and Action 2-3).
- Policy 7-3.** The City will grow its park and open space system to give neighborhoods appropriate levels of recreational amenities (see Action 9-6).
- Policy 7-4.** New development in Hagerstown will blend, mesh, and transition into existing neighborhoods (see Policy 8-1).

Housing and Neighborhood Implementation Actions

- Action 7-1.** Work with Washington County to create a balanced regional housing approach—with emphasis on encouraging both the City and County to accept their fair shares of the region’s rental and affordable housing.
- Action 7-2.** Consider developing an Inclusionary Zoning program that requires selected new developments to provide workforce housing
- Action 7-3.** Continue rental registration and code enforcement efforts to increase the overall quality of residential units in the City.
- Action 7-4.** Use Neighborhoods 1st, the Livable City program, Comprehensive Neighborhood Revitalization, and other appropriate programs as tools for neighborhood revitalization.
- Action 7-5.** Continue to support efforts to plant street trees and provide additional neighborhood parking facilities.
- Action 7-6.** As part of a comprehensive rezoning effort (see Action 2-5 and Table 2-6):
- Create a Downtown (D) zoning district with provisions that allow new development to match the lot size, lot width, setbacks, heights, and other physical design aspects of existing downtown development (see also Action 8-2).
 - Allow for Moderate Density Residential uses and Mixed Use areas that include new housing (see Figure 2-6 and Action 2-5).
 - Explore zoning options to facilitate Comprehensive Neighborhood Revitalization, such as the establishment of an overlay zone or a new mapped district that reflects the lot sizes, setbacks, building heights, and other characteristics present in many of the City’s older neighborhoods.
- Action 7-7.** Revise the subdivision and zoning ordinances to ensure that the layout, architectural, and other physical design elements of new development are compatible with existing neighborhoods.