

8. Housing

Decent and affordable housing is essential to maintaining Cumberland as a desirable place to live and is also important to its success as a place to build a business. The City is fortunate to have a wealth of historic housing stock dating back to the nineteenth and early twentieth centuries in neighborhoods spanning the West Side, North End, East Side, and South Cumberland. However, a long-term decline in population and the erosion of the City's manufacturing base have left widespread areas in need of stabilization and reinvestment. Conversely, much of the more recent housing construction in Cumberland has been in the form of relatively expensive houses on suburban-style lots on Haystack Mountain. It has been observed that creating a more diverse housing base (including, for example, higher end market rate housing and condominiums for smaller families and "empty nesters"), combined with expanded economic opportunity, would help to retain existing residents and attract new persons to the community. Nevertheless, these two objectives - stabilizing existing residential neighborhoods and encouraging new housing construction - are potentially in conflict if the City's population continues to decline.

Demographics

Long-term population trends in Cumberland compared to the Greater Cumberland area and Allegany County are shown in Table 4. According to the U.S. Census, the City's population declined by 40 percent between 1940 and 2000, from its historic peak of 39,483 to 21,518 residents. The bulk of this decline occurred between 1950 and 1980, when the population decreased between approximately 11 and 13 percent each decade. Between 1980 and 2000, Cumberland's population decreased by approximately nine percent in each decade.

Table 4. Allegany County and City of Cumberland Population, 1940 to 2000

	1950	1960	1970	1980	1990	2000
Allegany County	89,556	84,169	84,044	80,548	74,946	74,930
City of Cumberland	37,679	33,415	29,724	25,933	23,706	21,518
City as Percent of County	42.1%	39.7%	35.4%	32.2%	31.6%	28.8%

Source: U.S. Census

Over the same period Allegany County also lost population, albeit minimally, and was the only county in the State which experienced a population decline between 1990 and 2000. In general, population decline in Allegany County has occurred at lower and less constant rates than in the City, ranging from less than one percent to seven percent each decade between 1950 and 1990. Cumberland's share of the County population decreased from almost one-half in 1940 to less

than one-third in 2000. This trend suggests a shift in population from the City to outlying areas, including Allegany County and Mineral County, West Virginia (which experienced a slight increase in population between 1990 and 2000, from 26,697 to 27,078). Nevertheless, Cumberland continues to represent the largest concentration of people in Allegany County and still serves as the regional center for the Central Appalachian area.

Population projections have been developed by the Maryland Office of Planning for Allegany County but are not available for individual municipalities. Allegany County's population is projected to continue to decrease between 2000 and 2030 to 71,650 persons or 4.4 percent below 2000 levels. If the trend of the past several decades continues, there will be a continuing shift in population from Cumberland to surrounding areas.

Other demographic characteristics relevant to housing include average household size, age distribution, and personal income. The size of an average household in the City declined slightly between 1970 and 1990, from 2.25 to 2.2 persons per household. The County witnessed a similar decline in household size, from 2.43 to 2.35 persons per household, consistent with national trends. Average household size in 2000 was smaller than in the State of Maryland as a whole (2.61 persons per household).

According to the 2000 Census, the median age for Cumberland residents was 40.6 years, higher than the City's 1990 median age of 39.5 years, Allegany County's 2000 median age of 39.1, and the State of Maryland's 2000 median age of 36.0. Since 1990, there have been some significant shifts in the age distribution in the City. The number of children under five decreased both in absolute numbers (1,542 to 1,264) and as a percentage of the total population (6.5 percent to 5.9 percent), representing the largest decrease in population from 1990 to 2000 of any age group. In the same period, the number of youths between the ages of 5 and 19 decreased from 4,344 to 4,165; however, their percentage of the total population increased from 18 to 19 percent. The 20 to 44 age group decreased from 7,630 to 6,627, shifting from 32 percent to 31 percent of the population. Persons aged between 45 and 64 showed the only increase among the age distribution during this period, increasing from 4,893 in 1990 to 5,013 in 2000. The total number of persons over 65 decreased by 16 percent from 1990 to 2000, dropping from 22 percent of the population to 21 percent.

Table 5. Percentage Distribution of Cumberland Population by Age Group

Year	>5 years	5-19 years	20-44 years	45-64 years	65+ years
1990	7%	18%	32%	21%	22%
2000	6%	19%	31%	23%	21%

Source: U.S. Census

The 2000 Census reported a per capita income of \$15,813 per year for Cumberland residents, slightly lower than that for Allegany County (\$16,780) and substantially lower than the State of Maryland as a whole (\$25,614). Approximately 20 percent of the population in the City is below the poverty level, compared to 15 percent in the County and 8.5 percent in the State. This

represents a significant improvement from 1990, when City's percentage of persons below the poverty level was 25 percent.

Median family income in Cumberland was \$34,500 in 1990, substantially lower than the \$39,886 reported for Allegany County and the state median family income of \$52,868.

- Issues:*
- The long-term population decline from Cumberland's pre-World War II peak has significant implications for the City's older housing stock. The effects of this decrease on housing demand has been partially offset by declining household sizes. However, the ability to simultaneously maintain the existing housing stock and support new housing construction is dependent upon reversing the long-term trend by keeping current and attracting new residents.
 - A good supply of smaller housing units such as apartments and compact single-family dwellings is needed to serve Cumberland's elderly population as well as young single persons. In addition, elderly persons with fixed incomes may require assistance in maintaining older residences.
 - The relatively high levels of poverty highlight the importance of increasing economic opportunities for lower income residents in order to help stabilize Cumberland's housing base. In addition, there is a continuing need to provide affordable housing and housing assistance to those in need.

Housing Characteristics

The 2000 U.S. Census reported the following characteristics of Cumberland's housing supply:

- Cumberland had 11,143 housing units in 2000 as compared to 11,433 in 1990, a decrease of 290 or 2.5 percent.
- The great majority of the City's housing stock is more than 40 years old. Approximately 82 percent of units (9,111) were built before 1960 and 53 percent (5,896) before 1940. Less than 10 percent (952) were built after 1970.
- Approximately 67 percent of Cumberland's total housing units were single-family detached (6,049) or single family attached (1,480). There were 37 mobile homes in the City in 2000. The remainder of the housing stock consisted of buildings with two or more units.
- 9,538 of Cumberland's housing units were occupied in 2000, representing an occupancy rate of 86 percent. The vacancy rate of 14 percent is greater than is normally considered appropriate for urban areas.
- In 2000, 5,529 or 58 percent of Cumberland's occupied housing units were owner-occupied. The remaining 42 percent were rental units. This represents an increase in the percentage of renter-occupied units of two percent since 1990.

- The median value of owner-occupied housing in the City of Cumberland was \$60,600 in 2000, an increase of approximately 49 percent over the 1990 median value of \$40,700. The median monthly contract rent was \$361 in 2000, an increase of 73 percent over the 1990 median rent of \$209. During the same period, the average Consumer Price Index for U.S. cities increased by approximately 28 percent. Median housing value and median monthly rent are substantially lower in Cumberland than in the State of Maryland as a whole (\$146,000 and \$689, respectively).

The 2003 Cumberland Housing Needs and Conditions Survey evaluated the physical condition of existing housing in the City based upon a windshield survey. This study found that a significant portion of the City's housing stock is in need of rehabilitation. Approximately 17 percent of the 6,500 homes surveyed were rated as "blighted."

- Issues:**
- Cumberland's older housing stock helps to define the character of its residential neighborhoods. The results of the 2003 Housing Needs and Condition Survey and the relatively high vacancy rate in 2000 indicate the need to promote rehabilitation and targeted demolition to prevent a more serious deterioration of the City's housing stock.
 - The relatively high proportion of rental housing units within the City suggests that programs to increase home ownership should continue to be emphasized.
 - The relatively low median housing value means that Cumberland is affordable to those looking to purchase a home in the City. However, Cumberland's housing market is constrained by the lack of recently constructed product and the substantial cost of renovating older homes compared to their value in the market. As a follow-up to the Cumberland Housing Needs and Conditions Survey, the City is working on a comprehensive housing strategy to address ways to encourage new housing starts and infill development.

Housing Programs and Policies

Housing Assistance Programs: A variety of housing assistance programs are available to Cumberland residents with low incomes and/or special needs. At the city level, the Department of Community Development administers several programs that provide rental subsidies, emergency shelter aid, and assistance in property rehabilitation or improvement. Other providers of housing assistance include, among others, the Allegany County Human Resources Development Commission, Allegany County Housing Office, Archway Station, Brandenburg Center, Thomas B. Finan Center, Friends Aware, and the YMCA. A major focus of these programs is housing aid to special needs populations, including the homeless, substance abusers, and the developmentally disabled.

A private, non-profit organization with a proven record in providing loans to first-time homebuyers, Cumberland Neighborhood Housing Services, Inc. (NHS) is one of three certified NHS corporations in Maryland. NHS provides homeownership opportunities to low and moderate income persons through closing cost assistance and homebuyer education and counseling services. In addition to providing home ownership opportunities, the NHS offers a variety of home rehabilitation and improvement programs. Originally targeted to the North End, the NHS has expanded its programs to become available citywide.

Interfaith Housing of Western Maryland is another organization that offers a variety of housing programs for persons with lower incomes, including opportunities for first-time home buyers. Interfaith Housing purchases and rehabilitates existing housing units and constructs new ones for sale to qualified low and moderate income clients, many through a Mutual Self-help program whereby families trade their labor for a down payment. Interfaith Housing is based in Frederick and operates throughout Western Maryland.

Public Housing: The Cumberland Public Housing Authority operates five public housing developments with 430 units. Two of these developments with 200 units are designated for elderly and disabled residents. In addition to the Cumberland Housing Authority's properties, the Allegany County Housing Authority operates a 34-unit development for elderly and disabled persons who require sheltered care.

Oldtown Manor, Booth Towers, Cumberland Arms, and Cumberland Manor are privately-owned, assisted housing developments. All of these facilities except for Oldtown Manor are limited to serving elderly and disabled persons.

Consolidated Plan: Originally prepared in 1995, the Consolidated Plan was updated in 2000 by the City's Department of Community Development in accordance with the HUD eligibility requirements for the Community Development Block Grant program. This plan lays out a coordinated, public-private sector strategy for meeting Cumberland's community development needs from 2000 to 2005, with a special emphasis on housing for the City's lower income and special needs populations. Housing goals identified by the Consolidated Plan include:

- *Retain an ample supply of quality, affordable housing:* homeowner and renter housing rehabilitation, weatherization, removal or rehabilitation of blighted properties, etc.
- *Increase access to affordable permanent housing in standard condition:* Public Housing Authority/Section 8 programs; low/moderate income homeowner purchase, finance and education assistance; etc.
- *Provide affordable housing with access to job opportunities:* homeownership within the STAR district, continuation/expansion of Job to Works Program, upper-story residential renovation downtown
- *Work to encourage spatial de-concentration of low-income housing and fair housing for all:* fair housing strategy, renter/homeowner opportunities throughout the City (including upper-income neighborhoods)

Housing Regulation/Enforcement: Permits for residential rehabilitation and construction in Cumberland are issued through the Building Engineer's office within the Department of Community Development. This office also has responsibility for code enforcement and compliance with City regulations such as the Zoning Ordinance and the Housing Code. Adopted in 1997, the Housing Code is designed to improve substandard living conditions through the establishment of minimum housing standards and a periodic inspection system.

In recent years the City has maintained a list of "blighted properties" and has had some success in achieving demolition of the most dilapidated structures. As part of a strategy to eliminate blighted properties, the City has considered the possibility of applying "quick take" legislation currently in use in Baltimore City to expedite condemnation proceedings.

- Issues:**
- As noted in the Community Facilities Element, budget cuts at the federal and state levels will require local housing providers to increase efficiency and become more reliant on local resources. The Consolidated Plan notes that there has been success over the last several years in bringing service agencies together in collaborative partnerships that help to extend valuable dollars while reducing duplication. The Plan recommends continuing this strategy in the future.
 - Neighborhood Housing Services provides a successful example of how public and private funds can be leveraged to allow renters to become homeowners with a vested interest in maintaining and improving their residences. An important part of this organization's success is the involvement of both the public and private sectors, including lending institutions. Increasing homeownership opportunities and providing assistance to lower income homeowners to rehabilitate their properties are key elements in a strategy to stabilize residential neighborhoods and maintain Cumberland's housing stock.
 - The perceived difficulty of the regulatory process in Cumberland compared to surrounding jurisdictions has been raised as an issue. The City has taken steps since the 1996 Comprehensive Plan to address this issue (e.g., by streamlining review and approval procedures and changing the fees charged for some permits).

Goals, Objectives, and Actions (Housing)

Goal 7

Promote a healthy, diversified housing stock for people of all ages, incomes, and levels of need.

Objective 7.1

Implement a coordinated strategy to encourage renovation of existing housing.

Action 7.1.1

Continue and strengthen Department of Community Development programs for the rehabilitation of homeowner and rental units.

Action 7.1.2

Support continuation and expansion of other programs providing assistance for the rehabilitation of existing housing stock (e.g., those offered by Neighborhood Housing Services and the Allegany County HRDC).

Action 7.1.3

Support continuation and expansion of programs that make housing available to first time home buyers (e.g., those offered by Neighborhood Housing Services and Interfaith Housing of Western Maryland).

Action 7.1.4

Define and pursue the City's role in encouraging housing renovation throughout Cumberland's older neighborhoods. In addition to existing housing rehabilitation programs (Action 7.1.1) and coordination with/support of other public and non-profit housing providers (Actions 7.1.2 and 7.1.3), potential city strategies include:

- providing local tax credits or deferred taxation on increased value for rehabilitation and improvements to residential properties;
- working with financial lending institutions (who are already involved in NHS' first time homebuyers program) to increase the availability of home mortgages to individuals and families of modest means;
- use of the Maryland Building Rehabilitation Code (Smart Code) and relief from code provisions where compatible with protecting public health, safety, and welfare;
- possible initiation of pilot projects through public/private partnerships as a method of stimulating private development; and
- marketing to prospective homebuyers and investors (see Objective 7.5).

Action 7.1.5

Encourage residents of the Canal Place Preservation District and any future historic districts designated in accordance with Objective 3.2 to take advantage of federal and state tax credits for historic preservation activities.

Objective 7.2

Encourage construction of new market rate housing with a variety of dwelling types and provisions for mixed use in suitable locations.

Action 7.2.1

Promote the construction of new housing units on vacant land within the City. Factors to take into consideration include:

- provision of a variety of housing types to meet different niches within the market (e.g., lower density single-family homes, cluster subdivisions, attached units appealing to smaller households, assisted living) (see Action 2.4.2);
- provision of public water and sewer service to support proposed new developments on vacant lands within the City (e.g., in newly annexed areas);
- possible initiation of a pilot project through a public/private partnership (e.g., using a Development Rights and Responsibilities Agreement) as a method of stimulating additional private development;
- protection of environmentally sensitive resources consistent with the Zoning Ordinance (e.g., steep slopes and views from downtown within the Viewshed Protection Overlay Districts); and
- marketing to prospective homebuyers and investors (see Objective 7.5).

Action 7.2.2

Encourage the construction of new housing units on vacant and underutilized properties within established neighborhoods (infill development). Current or potential components of a housing infill development strategy include:

- returning city-owned lots to the private market through the Property Ownership Program;
- working with housing providers such as Interfaith Housing of Western Maryland to promote new construction on vacant lots for first time homebuyers;
- providing incentives such as local tax credits, deferred taxation, and expedited permitting;
- establishing standards to ensure that the infill development is compatible with the character of the surrounding neighborhood;
- initiation of a pilot project through a public/private partnership as a method of stimulating additional private development, including possible participation in land assembly and demolition to create a viable project; and
- marketing to prospective homebuyers and investors (see Objective 7.5).

Action 7.2.3

Continue to promote redevelopment of upper floors downtown for residential uses, through use of financial incentives, Smart Code provisions, marketing, addressing parking needs, etc. (see Action 2.2.2).

Objective 7.3

Provide affordable housing and continued housing assistance to those in need.

Action 7.3.1

Update and revise the City's Fair Housing Plan to ensure that quality affordable housing continues to be available throughout Cumberland.

Action 7.3.2

In accordance with the Consolidated Plan, continue to support housing assistance programs and coordinate the efforts of providers to increase efficiency, reduce duplication of services, and better serve clients.

Action 7.3.3

Work with other housing service providers to implement the recommendations of the Consolidated Plan regarding the housing needs of the homeless and special needs populations, including:

- helping homeless persons to obtain and retain affordable housing;
- assisting persons at-risk from becoming homeless; and
- increasing the supply of supportive housing to serve at-risk and special needs populations.

Action 7.3.4

Continue rental assistance programs for renters with low and extremely low incomes.

Objective 7.4

Implement a coordinated strategy to stabilize and enhance existing neighborhoods.

Action 7.4.1

Use the results of the Housing Needs and Conditions Survey to establish priorities for neighborhood revitalization.¹ Work with neighborhood organizations and residents to tailor stabilization and enhancement strategies to local conditions within each neighborhood.

Action 7.4.2

Target coordinated public investment towards priority neighborhoods, including housing/homeownership assistance, code enforcement, crime reduction programs, transportation services, infrastructure improvements (streets, sidewalks, drainage systems, etc.), and beautification enhancements (see Action 7.4.3).

Action 7.4.3

Promote neighborhood improvement/beautification through the Community Betterment Program. Establish criteria for evaluating qualifying projects, for example:

- neighborhood priority as established by Action 7.4.1; and
- level of commitment by neighborhood-based organizations to participating in and maintaining the improvements.

Action 7.4.4

Using the results of the Housing Needs and Conditions Survey, prioritize and eliminate blighted properties through code enforcement or acquisition and demolition by the City for possible redevelopment. Assist in the relocation of persons impacted by demolitions. Stabilize and identify interim uses (e.g., community gardens, parking) for demolition properties for which there is no immediate market for redevelopment.

Action 7.4.5

Explore the feasibility of adopting “quick take” legislation currently in use in Baltimore City to expedite condemnation of blighted properties for use in Cumberland.

Action 7.4.6

Work with private housing providers to redevelop underutilized and vacant properties in residential neighborhoods (e.g., the old Sacred Heart Hospital property on Decatur Street) for residential use.

Action 7.4.7

Foster community pride, awareness, and involvement in neighborhood enhancement projects through organized events and programs.

¹ The 2001 Community Legacy Plan identified the Decatur Street and Rolling Mill Districts as priority neighborhoods for application of revitalization strategies.

Objective 7.5

Attract new residents to Cumberland by marketing it as a good place to live (see Action 8.6.2).

Action 7.5.1

Conduct a study to define the specific segments of the market that might be attracted to Cumberland and to identify the housing products that persons in these segments would be seeking.

Action 7.5.2

Promote the availability of housing types desirable to prospective residents as identified by Action 7.5.1 (e.g., through pilot projects in accordance with Actions 7.1.4, 7.2.1, and 7.2.2).

Action 7.5.3

Based on the results of Action 7.5.1, work with the Allegany County Visitors' Bureau and Chamber of Commerce to implement a promotional program designed to draw new residents to purchase homes in Cumberland by publicizing the City as an attractive and safe place to live.

Objective 7.6

Implement user-friendly regulations and review procedures that provide for safe and suitable housing without overburdening homeowners and builders/developers.

Action 7.6.1

Monitor development regulations such as the Building Code, Zoning Ordinance, and Subdivision Regulations for opportunities to make it easier to develop new and rehabilitate existing housing, consistent with safeguarding the public health, safety, and welfare (see Action 8.2.3).

Action 7.6.2

Continue to develop coordinated, simplified, and stream-lined review and approval procedures for residential development applications. Address fee structures for building and utility permits to ensure that Cumberland is competitive with adjacent jurisdictions (see Action 8.2.5).