

**Affordable Housing**

Minority Homeownership Barriers- The new AI has determined that fewer minority households make application for home mortgages. Research will be undertaken to determine if minorities choose to be renters, don't think they can qualify, or don't want to relocate to other parts of the City. It is proposed to develop a Committee headed by the Human Relations Commission in order to research this issue, get minority input, and make recommendations related to this issue. These recommendations would then be used to develop appropriate promotion and education programs to improve numbers of minority applicants.

Section 8 Fair Market Rents- As previously discussed, reductions in the FMR for the Cumberland area has had serious negative impacts on low-income Section 8 applicants and renters. Utilization has dropped to 85% from 95-100%. Spatial de-concentration has also been adversely affected. Review of the changed FMR has been requested to the State. The state has advised that most communities are having this problem and they are attempting to address the issue with HUD.

New Construction options- New construction in the City of Cumberland is limited in terms of possibilities due to small lot size and terrain. Needs exist for single-family homes, attached townhouse type housing, and new rental housing for low incomes. The Cascades project, which was recently completed, created 71 low- income units. Two middle income projects are underway or planned that will create 32 and 62 new attached homeowner housing units for low-mod and mod income groups. One is proposed for the east side of Cumberland and the other is under construction on Decatur Street. As discussed, the PHA is proposing new construction in and around the Benjamin Banneker site and is proposing new construction in and around the Fort Cumberland Homes facility. Project may also involve rehabilitation of some homes.

**Housing Rehabilitation funding**

Much of the housing in the City is pre-1940 and in need of minor to major improvements. Many homeowners are low income, elderly, or single parent families. Programs such as the Allegany County Rehab Program, PIP program, NAILS, and Weatherization programs are widely used. Funding is limited and has reduced over the years. Efforts to plug the gap include use of state Community Legacy funding and Interfaith Housing Alliance affordable housing program funds.

**Housing Accessibility**

Housing accessibility- the AI identified an impediment related to the need to make housing accessibility changes where necessary to accommodate the disabled. An implementation committee of disabled providers and residents will be utilized to identify the major needs and determine funding.

Infrastructure accessibility- Improvements to facilitate accessibility are needed to provide curb cuts, sidewalks, and ramps for the disabled. The committee will also examine this issue. Funding has been provided for 2005 to begin the process.

**Homeownership barriers based on income**

Access to credit- many low income families have credit issues which are preventing them from receiving mortgages. City is assisting through the FADP and NHS homebuyer programs in order to improve likelihood of success for these families

Predatory Lending/sub-prime lending- The new AI identified our area as a typical sub-prime lending area and that some families who could qualify for prime financing are instead going to sub-prime lenders through a lack of knowledge. Through the Human Relations Commission, NHS, and HRDC, a training and education program will be undertaken.

Improved skills- some families have little knowledge related to home maintenance, cleaning, and financial management. This is being addressed through the Family asset and NHS homebuyer education programs.

Planning, zoning, permitting- Review of the City requirements related to planning, zoning, and permitting indicates that the City does not use impact fees as the City does not want to impede potential development. City currently uses a fee of \$4 per thousand based on value of work indicated on the permit. In the last five years, the City has done a new Comprehensive plan revision and revised its Zoning ordinance. A Spec housing component was added as well as new subdivision regulations. Water tap fees, while not a planning or zoning issue sometimes behave as an impediment, although, waivers can be established for a project by project basis dependant on size of development and impact of project.

#### **State and federal impediments**

Lead requirements- State lead requirements have led to abandonment of marginal properties thereby reducing the housing stock available to low income families. City/County/HRDC are participating in a \$900,000 state grant to undertake lead abatement activities, including risk assessments, grants to rental properties for small improvements and loans related to properties in need of large scale abatement.

Historic Requirements- City is currently processing all housing improvements on a case by case basis, which causes delays up to 90 days in providing needed assistance to low income homeowners. In process is a new Memorandum of Agreement, which would speed up the process and allow for local review of most work.

Federal, State, and local affordable housing other than the public housing units within the City of Cumberland include:

Booth Towers – 114 Section 8 units - Elderly

Cumberland Arms – 69 Section 8 units – Elderly

Cumberland Manor – 101 Section 8 units – Elderly

Old Towne Manor – 104 Section 8 units

Washington – Allegheny Residence II – 6 Section 8 units – Developmentally disabled

Cascades – 71 units total - 9 Section 8 households currently

No publicly assisted housing units are expected to be lost over the next 5 Years.

