

**HOUSING NEEDS**

Residents of the City of Cumberland have a wide array of housing need. At a basic level the deterioration of the local economy has effected the existing housing stock, and the ability for residents to obtain and retain affordable housing. Appendix 3 shows the housing need of Cumberland households, especially the needs of low-moderate income families. Of the 9,105 households in the City 3,483 fall below the median family income or MFI.

**Renter VS. Owner Households**

There has not been a significant change in the percentage of homeowners versus renters within the past decade. According to 2000 Census the population is mostly divided with 58% owner occupied and 42% renter occupied homes whereas there were 44% renter and 56% owner household according to the 1990 Census.

Thirty nine percent of Cumberland households fall within the very low-income range, and could be considered to be in need of some form of housing assistance. In comparing renters and owners in Cumberland, one can assume that he lower the income, the more likely one is to rent a unit, rather than own one.

Income Level	Percent Renters	Percent Owners
0-30% of MFI	78%	22%
1-50%OF MFI	46%	54%
51-80% of MFI	39%	61%
81-95% of MFI	24%	76%

\*Percentages gathered from 2000 CHAS data

**Renter Households**

**Extremely Low Income Renters**

The table above shows that of the 4,829 households that have very low-income levels, 76%, or 3,662 of them rent while the other 35% or 1,700 own homes. This percentage breakout is reasonable, as most persons that have such low incomes cannot afford to be homeowners, due to the cost of or home repairs and or taxes. This can be further seen if one recognizes that 46 % of all renters have incomes within 0-50% of the MFI.

The majority of low-income households are either elderly 1-2 member households or small-related households that contain 2-4 persons. The assistance that local housing agencies provide are made widely available to these two groups. Large related households are also served by those providers.

**Elderly 1&2 Member Households**

Forty-two percent of both renter and owner occupied elderly households have incomes between 0-50% of the MFI. Of all renters with extremely low incomes 420 or 28% of them are elderly households. 55% of these

households are also experiencing housing problems. In addition, these elderly households are experiencing a cost burden of 54%. This means that housing costs such as rent and utility payments exceed 50% of the monthly household income.

Households experiencing such a cost burden can obtain rental assistance through the City's Section 8 program and through Cumberland's Public Housing Authorities. Some can receive help through weatherization and the Maryland Energy Assistance Program (MEAP) to reduce utility costs.

Elderly households that have income levels between 31-50% of the MFI consist of 281 households or 39% of all elderly renters. Of that 39%, 29% have housing problems and 3.6% have a severe cost burden. All of these households can be served by the aforementioned organizations.

When income levels reach 51% to 80% of MFI the number of total persons renting greatly decreases along with a decrease in housing problems. Those elderly renters that fall into these groups are not eligible for assistance through Section 8 and Public Housing and must rely on their landlords to make necessary repairs inquire with landlords to participate in aforementioned weatherization programs to reduce costs.

#### **Small Related 2-4 Member Households**

Thirty two percent of all renters are small-related households with 2-4 members and income levels between 0-50 percent of the MFI. Small-related households narrowly top elderly households as the largest group of renters with low incomes. Of the 706 small-related households in this group, 69% have housing problems and 48% have severe cost burdens relative to their monthly incomes.

Section 8, Public Housing and MEAP are all available to assist this group of renters. In addition Weatherization, State rental rehabilitation, other State funded programs are available to increase the quality of living while maintaining the units at an affordable level.

For those with incomes between 30-50% of the MFI 0% have a severe cost burden while 48% have other housing problems. This information is consistent with the City's Section 8 waiting list as 0% can claim that they are paying over 50% of their income towards rent and utilities.

When a household surpasses 50% of the MFI housing problems decrease dramatically and cost burdens are no longer a significant factor.

#### **Large Related 5 or More Member Renter Households**

Only 3% of all renters have large related families of 5 more persons who fall within 0-50% of the MFI. Of those who fall within this category 57% with extremely low incomes have housing problems and 100% with low incomes have housing problems. All of these households are

eligible to receive assistance through the same programs that are available to elderly and small related households.

#### **All Other Rental Households**

Thirty three percent of renters with extremely low incomes fall within this group with 74% experiencing housing problems. Cost burdens for this extremely low income group stand at 55%. Twenty six percent of those in this category are low income with a 40% rate of housing problems. Their cost burden stands at 18%.

As long as these households contain two or more persons assistance can be provided through Section 8 and the Public Housing Authority. These households are also eligible for assistance through weatherization and MEAP.

Again, as income levels increase, the total number of households and the number with housing problems decrease dramatically, and need for assistance is almost non-existent.

There are several programs available within Cumberland to assist extremely low and low-income owners who are in need of financial assistance. Interfaith, NAILS, and CNHS can be utilized by low-income homeowners. Homeowners can also apply for PIP and Façade Funds from the City. Additionally, homeowners may be eligible for rehabilitation through the County's Lead Abatement program.

#### **Owner Households**

##### **Elderly Owners**

About 23% of all Cumberland homeowners are elderly. For the most part, these households have fixed incomes that lack the budgetary availability to make necessary repairs and improvements to homes. Twenty two percent of these elderly homeowners have extremely low incomes with 71% experiencing housing problems. Fortunately, only 31% have monthly housing expenses that exceed 50% of their monthly income. This proves rational, as most of these homeowners have paid off their mortgages in full.

Elderly low-income homeowners are in need of rehabilitation assistance. Programs such as the Property Improvement Program, Residential Façade Improvement Program, and NHS assist with minor home repairs and improvements. NHS and the county's MHRP program provide loans for major rehabilitation projects. Programs that aid in lead abatement within elderly households are also available through Allegany County Housing.

Assistance can be provided to elderly homeowners who fall at least under 80% of the MFI. Most of those above 80% of the median are financially capable of making necessary repairs to their homes or are eligible to receive loans from private financial institutions. The

programs previously listed cover the gap of those persons who are ineligible to obtain assistance from private banks.

#### **All Other Owner Households**

Of all other owners with extremely low incomes, 83% have housing problems and 68% have a cost burden that exceeds 50% of their monthly income. Of those owners considered to be low income, 65% are experiencing housing problems.

Many services are available for owners within these income groups. Programs such as the Property Improvement Program and the Residential Façade Program are available to assist these extremely low and low-income homeowners when minor repairs are needed. For more in-depth repairs Interfaith's Self Help Program, MHRP or NAILS Rehabilitation Programs can be utilized. Weatherization and MEAP can also help to reduce monthly utility costs for both groups of homeowners.

When a household surpasses income levels of 50% of the MFI, the need for formal assistance is minimal. However, the City offers assistance through all of the mentioned programs to homeowners whose income is up to 80% of the MFI. Terms and conditions under the said programs differ for moderate-income clients.

#### **Other Types of Housing Problems**

Overcrowding is a major area of concern in many communities and the City of Cumberland is no exception. As outlined in the Homeless and Special Populations Section of the Consolidated Plan, the City of Cumberland is tackling one specific overcrowding problem known to service providers as "hidden homeless". This problem is inherently difficult to quantify, but there is significant anecdotal evidence of the problem among service providers to warrant attention from the City.

Substandard housing is also a major issue faced by Cumberland. Economic deterioration coupled with the age of the existing housing stock, has resulted in high substandard percentages. 81% of the Cumberland homes were built before 1960. In light of this, a total of 35% of Cumberland renters and 17% of Cumberland owners are experiencing housing problems (cost burden greater than 30% of income and/or overcrowding and/or without incomplete kitchen or plumbing facilities).

#### **Housing for persons with disabilities**

According to 2000 Census data, 5341, or 24% of Cumberland's total population were diagnosed with disabilities. Forty Six percent of the population 65 years of age or older are disabled. Of those 24-64 years of age who report the most disabilities, only 40.1% are employed.

Those who have mental, physical, and developmental disabilities can be assisted through a wide array of housing agencies. Archway Station,

The Finan Center, Friends Aware, Goodwill Industries, and Resources for Independence assist persons with disabilities to obtain housing and supportive services.

Though no specific numbers about barriers to housing loans/ programs could be gained about Cumberland's disabled population, a recent fair housing impediments study outlined two major barriers for the disabled in obtaining housing. Firstly, the significant lack of quality affordable housing is viewed as an impediment for fair housing choice of disabled citizens. This is mostly due to the age of the existing housing stock and the substandard conditions of those properties. Problems for the disabled, namely the physically disabled, arise not only within the housing sector, but also within the community at large. For example, physically disabled residents are not always able to patronize local business due to architectural design that inadvertently prevents widespread accessibility.

The so-called "not in my backyard" syndrome was also found as an impediment to disabled fair housing choice. From the study, it was also concluded that housing catering to the disabled is covertly opposed within the community. Through anecdotal evidence it was ascertained that community members do not oppose affordable housing for the disabled, they do not want such housing located in their neighborhood.

#### **Housing for those with HIV/AIDS**

In the past fiscal year, there were 17 reported cases of HIV and 39 reported cases of AIDS in Cumberland. Currently there are no housing facilities that specifically aim to meet the needs of those with HIV or AIDS. However, housing agencies such as The Public Housing Authority, Section 8, Interfaith Housing Alliance, and Community Neighborhood Housing Services can be utilized by those with HIV/AIDS who fall below the MFI. Services such as Weatherization and MEAP can also be utilized to defray utility costs. Specific numbers of HIV/AIDS clients of the aforementioned housing and assistance programs could not be determined.

#### **Housing Need of Minority Groups**

Minority housing needs, similar to housing needs for the disabled, are impeded by the low supply of quality affordable housing. Community opposition to housing assistance programs, such as Section 8 and other affordable housing programs also hinder minority groups looking to obtain affordable housing.

Discrimination against minority groups was measured on the basis of mortgage lending data under the Home Mortgage Disclosure Act, (HMDA) in a recent impediments to fair housing study. The data gathered from the study concluded that there was "disparity between the number of minority applicants, regardless of income and their White counterparts. This proves true for convention and FHA, FSA/RHA, VA, and other government-backed loans which nationwide show a high

percentage of minority applicants. Some of the disparity can be accounted for because of the small minority population in the City of Cumberland however, given the affordability of home ownership as compared to rental housing more minority households should be looking at homeownership opportunities and financial institutions should be focusing some of their outreach to minority households."

### **Housing Market Analysis**

Housing conditions in Cumberland, as stated previously, lean towards the substandard. A 2002 Housing Needs and Conditions survey stated that the decline in population over the past several decades has resulted in an oversupply of housing stock. "This oversupply condition has and associated physical decline due to lack of maintenance has resulted in substantial areas of urban blight."

According to the 2002 Cumberland Housing Needs and Conditions Survey, approximately seventeen percent (17%) of all homes were determined to be substandard or significantly deteriorated. Approximately four thousand (4,000) homes were classified as being in "reasonably good shape" and the remainder were found to be in "excellent shape". The blighted homes are concentrated in several neighborhoods where it is not uncommon to see vacant or boarded units.

Given the age of Cumberland's existing housing stock routine maintenance and rehabilitation is vital. Often the cost burden is too high for low to moderate-income families who own property to keep up with needed repairs. Unfortunately rental property owners often provide only basic upkeep to comply with the City of Cumberland Housing Code and do not routinely undertake serious upkeep of their properties.

The low market rate value of homes is a result of an aged housing stock, substandard homes and neighborhoods that lack commercial entities and recreational areas, and little available land for development. Development is necessary for renovations on existing housing units that would be costly for low-income individuals and families.

Housing Supply - Cost and Demand

**Current Supply of Housing Units in Cumberland:**

Total number of units	11,143	100%
Occupied	9573	85.6
Owner	5484	57.2
Renter	4089	42.8
Vacant	1605	14.4
Owner	256	15.9
Renter	598	37.2
Units lacking complete plumbing	28	1.7
Units lacking complete kitchen	85	5.3

- Figures Gained from 2000 Census

A recent Asset Management Plan from the Public Housing Authority outlined the current supply and demand and costs of housing in Cumberland:

**Needs Overview:**

New Housing Demand:

- 185 units of housing units
- 106 homeownership units
- 79 rental units
- 32 homeownership units affordable to low-income families
- 24 rental units affordable to low-income families
- 27 accessible units for disabled
- 11 accessible units for those over 65

Median Monthly Housing Costs:

Owner with mortgage: \$675  
 Renter (monthly rent): \$361

### Housing Market Analysis

Complete cells in blue.

Housing Stock Inventory	Vacancy Rate	0 & 1 Bedroom	2 Bedrooms	3+ Bedrooms	Total	Substandard Units
<b>Units Rented/Owned</b>						
Occupied Units: Renter		1602	1210	1277	4089	
Occupied Units: Owner		141	1252	2828	4221	
13% by Census** Vacant Units*: For Rent	0%				0	
4.4% By Census** Vacant Units*: For Sale	0%				0	
Total Units Occupied & Vacant		1743	2462	4105	8310	0
Rents: Applicable FMRs (in \$)		309	374	439		
Rent Affordable at 30% of 50% of MFI (in \$)						
<b>Public Housing Units</b>						
Occupied Units		397	270	202	869	
Vacant Units		0	2	1	3	
Total Units Occupied & Vacant		397	272	203	872	0
<b>Rehabilitation Needs (in \$)</b>					0	

\*Vacant units (total, not public housing) 430 435 716 1581

\*\* The above chart was left blank regarding vacant units for rent/for sale and the size inventory of those units. The information requested for those fields was unavailable at this time. However through various interviews the City was able to determine that most of the vacant units typically are of 0 & 1 bedroom. The number of vacancies tends to decrease as the bedroom size increases.

#### Barriers to Affordable Housing

Homeownership within the City, while at a generally acceptable level, is limited to mostly those with moderate-income levels or higher. Affordability or credit issues often times serve as barriers to those with lower incomes. Those who indeed own homes in Cumberland are often faced with undertaking rehabilitation projects, which in most cases, are financially unattainable to the average Cumberland homeowner. Many are in need of assistance in undertaking necessary renovation projects and many can utilize the Property Improvement Program, Façade Improvement or Weatherization programs.

Homeowners or landlords that undertake renovation projects themselves are often unaware of housing regulatory requirements. For example, an owner may convert a multi-unit space into a single family home without consulting proper zoning authorities because of ignorance or lack of funds to obtain proper permits. This leads to potentially large time and cost delays.

Many low-income families in Cumberland are also in need in affordable rental housing. Of 3,048 low-income families 76% are renters, while 46% own homes. 74% of those who rent experience housing problems (cost burden greater than 30% of income and/ or overcrowding and/or

incomplete kitchen or plumbing facilities) The Section 8 and Public Housing Authority rental programs for these populations often have waiting lists that endure for 9-12 months before a household can be admitted into the programs.

According to a recent study from HRDC, there are greater fair housing barriers in Cumberland than what was once supposed by housing service providers. Minority housing needs are impeded by the low supply of quality affordable housing. Community stigma related to housing assistance programs; such as Section 8 and Public Housing also hinder minority groups looking to obtain affordable housing. Discrimination against minority groups was measured on the basis of mortgage lending data under the Home Mortgage Disclosure Act, (HMDA) in the recent impediments to fair housing study. The data gathered from the study concluded that there was "disparity between the number of minority applicants, regardless of income and the number of white counterparts who were applicants. This proves true for conventional and FHA, FSA/RHA, VA, and other government-backed loans, which nationwide show a high percentage of minority applicants. Some of the disparity can be accounted for because of the small minority population in the City of Cumberland however, given the affordability of home ownership as compared to rental housing more minority households should be looking at homeownership opportunities and financial institutions should be focusing some of their outreach to minority households."

Similarly to the housing needs of racial minority groups, disabled Cumberland citizens also experience barriers to their fair housing choice. This is due to the low supply of quality affordable housing coupled with the architectural barriers apparent in older Cumberland homes. Problems for the disabled, namely the physically disabled, arise not only within the housing sector, but also within the community at large. For example, physically disabled residents are not always able to patronize local business due to architectural design that inadvertently prevents widespread accessibility. It was also concluded from the study that housing servicing the disabled is covertly opposed within the community. Through anecdotal evidence it was ascertained that though community members do not oppose affordable housing for the disabled, they do not want such housing located in their neighborhood.

New construction of housing units is not widespread in Cumberland. Those that are built are aimed at serving those with higher incomes; a faction whose housing needs are not as great as those with lower incomes. New homeownership construction often comes with expensive fees including permits, drawings, tap fees, etc...

### **Housing Strategy**

The following chart outlines the goals and objectives that will be instrumental in meeting the City's housing needs.

Housing Goal	Five year goal	Year One 2005	Year Two 2006	Year Three 2007	Year Four 2008	Year Five 2009	Accomplishment	Total
<b>H-1 Maintain and sustain quality affordable housing stock</b>								
Do not use this line								
Rehabilitate and resell homes in targeted areas	24	2	4	6	6	6		
Increase the ratio of owner occupied units vs. renter occupied units in targeted areas	10%	2%	2%	2%	2%	2%		
Support for upper story redevelopment projects	8	4		4				
Encourage code enforcement in targeted areas	X	X	X	X	X	X		
Forge partnerships with banks who support CRA	X	X	X					
Decrease the residential vacancy rate by 1%per year	5%	1%	1%	1%	1%	1%		
Abatement effort between Allegany County and HRDC to control and abate units with lead paint hazards	100	20	40	40				
Self-help homeowner rehab projects	9	3		3		3		
Provide substantial rehab grants loans to LMI homeowners	60	10	10	10	15	15		
Provide emergency/minor rehab assistance to LMI homeowners	150	30	30	30	30	30		
Improve residential facades within targeted areas	50	10	10	10	10	10		
Support PHA Asset Management Plan	X	X	X	X	X	X		
Support volunteer based rehab	100	20	20	20	20	20		
Do not use this line								
<b>H-2 Continue to ensure fair housing opportunities throughout Cumberland</b>								
Do not use this line								
Hold quarterly Community Housing Services Committee (CHSC) meetings	20	4	4	4	4	4		

#'s – number to be accomplished  
 X's – Years for accomplishment

Distribute literature about fair housing laws/services to landlords/tenants	X	X	X	X	X	X		
Conduct housing counseling to landlords and tenants	X	X	X	X	X	X		
Conduct fair housing workshops	9	1	2	2	2	2		
Develop fair housing inquiry tracking system	1	1						
Inform Section 8 assisted families about the LMI demographics of the City's neighborhoods	X	X	X	X	X	X		
Do not use this line								
H-3 Increase the availability of affordable permanent housing in standard condition to low-income and moderate-income families of all populations without discrimination								
Do not use this line								
Conduct accessibility rehabilitations	50	10	10	10	10	10		
Develop a list of accessible and adaptable housing units	1	1						
Maintain a current list of resources to assist homeowners making accessibility improvements	X	X	X	X	X	X		
Conduct major rehab projects	50	10	10	10	10	10		
Assist elderly and those with disabilities to find adequate housing	40	5	5	10	10	10		
Assist persons with special needs to transition to own home	30	6	6	6	6	6		
Do not use this line								
H-4 Providing affordable housing that is accessible to job opportunities								
Do not use this line								

Do not use this line								
H-5 Increase homeownership opportunities for Cumberland's LMI population								
Do not use this line								
Continue to support homebuyer education programs responsible homeowners	975	195	195	195	195	195		
Increase involvement in personal asset development programs	20% a year	20%	20%	20%	20%	20%		
Closing cost assistance grants	250	50	50	50	50	50		
Actively promote FSS program to eligible housing assistance recipients	120	10	10	20	40	40		
Family Asset Development – homeownership clients	35	7	7	7	7	7		
Do not use this line								
Do not use this line								
Do not use this line								

Housing - H

**TABLE 2A  
Priority Needs Summary Table**

<b>PRIORITY HOUSING NEEDS (households)</b>		<b>Priority Need Level High, Medium, Low</b>		<b>Unmet Need</b>	<b>Goals</b>
<b>Renter</b>	<b>Small Related</b>	0-30%	H	638	573
		31-50%	H	177	144
		51-80%	L	25	5
	<b>Large Related</b>	0-30%	H	77	72
		31-50%	H	21	18
		51-80%	L	10	5
	<b>Elderly</b>	0-30%	H	87	71
		31-50%	H	39	10
		51-80%	L	31	5
	<b>All Other</b>	0-30%	M	74	40
		31-50%	M	28	10
		51-80%	L	36	5
	<b>Owner</b>	0-30%	H	205	105
		31-50%	H	283	145
		51-80%	H	235	55
<b>Special Needs</b>		0-80%	H	317	130
<b>Total Goals</b>					1,393
<b>Total 215 Goals</b>					581
<b>Total 215 Renter Goals</b>					75
<b>Total 215 Owner Goals</b>					506

**June 2005 Consolidated Plan Revisions – Housing**

Referring to the maps in Appendix 4, the Low/Moderate Income (LMI) Area (Concentration) and Projects in Relation to Minority Concentrations maps were modified to show the following information. The areas of the City with a low/mod percentage higher than the City's 58.6% include South Cumberland, Census tract 10 which include the Central Business District and the Mechanic/Centre Street corridor, and tracts 4 & 5 which include Frederick/Bedford streets and the Decatur Street District (northeast Cumberland). Areas of the City with a higher than the City's 5.1% minority concentration include a portion of South Cumberland (Census tract 8), tracts 11, and portions of tracts 4, 5, 6, & 10. These areas are primarily near the center of the City and include the Central Business District.

The areas of LMI and minority concentrations do overlap but do not mirror each other exactly. One area, Census tract 11, is reported as a minority concentration area but does not fall in to the greater than 58.6% LMI area. All but Census tract 12 of the City is considered to be LMI area eligible (greater than 51% LMI). The minority concentrations are within the City's LMI eligible areas. The City of Cumberland has a low minority population as compared to the United States (12.3%) and the State of Maryland (27.9%). Since the majority of the City is considered low income eligible (greater than 51% LMI) and approximately 50% of the City's area is considered to have a LMI concentration of greater than the City's 58.6 low/mod percentage there is not a need disproportionately greater for a particular race. CHAS data was evaluated for disproportion of need for racial and ethnic groups within the City of Cumberland, no such needs were identified.

The largest minority population within the City of Cumberland is the Black/African American population. For purposes of this plan and the map the data for that population was used exclusively. When including other minority populations, specifically of Asian decent, the mapping display becomes skewed. For example tract 12, which is one of the highest income tracts of the City, displays as one of the highest minority areas of the City. When broken down the tract consist of 0.02% Black/African American, 3.6% of Asian, 0.02% American Indian or Alaskan Native or Other Pacific Islander, and 0.04% Some Other Race.

The majority of housing rehabilitation programs are targeted to the areas that correspond on each map. Each housing rehabilitation program is made available to all persons without bias of ethnicity or race. Cumberland's Housing Conditions and Needs Study identified several neighborhoods in and around the minority concentration areas as in need of structural rehabilitation. Four of the 5 current Community Betterment areas include minority concentration areas identified on the map.

**June 2005 Consolidated Plan Revisions - Strategic Plan**

The basis for assigning the priority given to each category in *Table 2A* was as follows.

- Renter Households
  - o Renter households fall into all levels of Priority Need. The pattern being that for small related, large related, and elderly at income categories of 0 to 50% of the median income having a high level of need. The income category of 51 to 80% for each renter household type was indicated as a low level of need. The "all other" households measured as medium for the 0 to 50% median income category.

The majority of renters being assisted by Section 8 and the CPHA qualify at 50% the median income and below. These households unmet need is based on services that the population requires. The lower the income the most likely the household will be renters.

Income Level	Percent Renters	Percent Owners
0-30% of MFI	78%	22%
1-50%OF MFI	46%	54%
51-80% of MFI	39%	61%
81-95% of MFI	24%	76%

\*Percentages gathered from 2000 CHAS data

The decrease of HUD's monthly payment standard of approximately \$100 for all bedroom sizes increases the burden on households below 50% of median income. Current Section 8 clients will be decreased to the new payment standards after a period of one year. This will cause them to be forced to move into a lower priced unit in order to continue to pay 40% or less of the adjusted gross income. Paying more than 40% of the adjusted gross income is prohibited. For new clients entering the Section 8 program an affordability issue has been created by the payment standard decrease. The City has been "leased up" to 100% over the past 3 years, now the City Section 8 program is only "leased up" to 85%. People applying for the program are being denied at a rate of 59% currently because they are unable to find affordable housing. When a household does find affordable housing they are likely to be forced to locate within low income and minority impacted areas. One of the City's Consolidated Plan goals is to decrease concentration of LMI and minority areas. The decreased payment standard works against the City's goals.

The City's Section 8 office communicates the information regarding payment standards and leasing an affordable unit

daily. There are so many cases of denial due to affordability that the City offices go as far as communicating with landlords in order to encourage them to decrease rents by as much as fifty dollars. Client information is kept confidential and it is difficult for a landlord to agree to reduce already relatively low rent prices.

The Winter 2004 *Regional Review* published by Frostburg State University displays studies in the distribution of affordable housing and distribution of household income groups. One study indicates that out of the region (12 counties in Western MD, PA, and WV) the City of Cumberland ranks as the best match between the distribution of affordable housing and distribution of household income groups in the renter category. An owner category was measured as well and Cumberland ranks as the worst match between distribution of affordable housing and distribution of household income groups. Owner households are described further in the section below.

The *Regional Review* shows that there is an abundance of housing units within the 0 to 30% and 31 to 50% of median income categories and there is about half of the units necessary for households within 51 to 80% of median income. For renters with incomes greater than 80% MFI there is an extremely low stock of affordable rental units in Cumberland. It is gathered from this study that moderate and higher income households may by choice be occupying more standard rental units than the low and extremely low households.

The next issue and probably the most abundant priority need is housing condition rehabilitation. The majority of housing stock throughout the City of Cumberland dates back over 50 to 100 years in age. Improvements and additions have been made over time, but since the City has seen a decline in economics the City has also seen a decline in housing maintenance and rehabilitation both in renter and owner properties. All housing stock regardless of its age and occupancy requires regular maintenance and rehabilitation.

In the past 5 years CDBG and other agency funded rehabilitation programs have focused on owner occupied rehabilitation. Reason being that rental properties have been viewed as income producing properties and the need for owner occupied rehabilitation has been so high that rental units have not been targeted. The need for assistance to rental properties exists within the Consolidated Plan and projects like lead abatement assistance and landlord tenant education are proposed. The need will likely continue to exist even with the goals in place. The City will continue to work with

the County and various housing providers to devise ways to better assist rental property condition.

- Owner Households
  - Owner households fall in to a high Priority Need Level for all income categories listed on *Table 2A*. The reason being is that the majority of housing stock throughout the City of Cumberland dates back over 50 to 100 years in age. Improvements and additions have been made over time, but since the City has seen a decline in economics the City has also seen a decline in housing maintenance and rehabilitation. All housing stock regardless of its age requires regular maintenance and rehabilitation. The population decline experienced in Cumberland has contributed to dilapidation as well through the increase of vacant properties.

The City, County, and various agencies and volunteer organizations are working to improve the City and County's housing stock. However it will take a shift in the areas economics to encourage the majority of the residents in Cumberland to start or continue to provide regular maintenance and rehabilitation to the housing stock. The government and public funded rehabilitation programs can only address a small percentage of the overall housing stock each year.

There is also a concern in repeat customers. Frequently an applicant for rehabilitation assistance will approach every agency and organization for assistance. It is important to work with a variety of homeowners to provide temporary assistance while educating them on the importance of conducting regular maintenance and rehabilitation. Many programs listed within the Consolidated Plan will address a rehabilitation need one time.

There are also issues for the income categories over 80% of the median income. Frostburg State University provided a study in their winter of 2004 *Regional Review* that showed the need for additional affordable housing units for the greater than 80% category. The study shows there is a surplus of affordable units for homeowners in the 31 to 50% and 51 to 80% range. Conclusion of the study states that this issue above is likely due to the lower housing values for regional counties.

Some trends pointed out in the 2005 Analysis of Impediments to Fair Housing include the number of mortgage loan applicants and actual mortgage loans for Black/African Americans (B/AA) verses Whites (W). In calendar year 2003 7 B/AA and 190 W applied for mortgage loans (0.6% of B/AA population and 0.9% of W population). Five B/AA and 163 W applicants received mortgage loans. Obviously there is a

much smaller Black/African American (1,088) population than White (19,913) so it is expected that the mortgage loans to the White race be higher. No discrimination was reported with the mortgage loan information, but the City and various housing agencies agree that efforts should be increased over the next 5 years to encourage and educate minorities on home ownership opportunities.

Housing developments totaling over 150 new units are proposed for new construction within the City over the next 5 years. Reports of the need for new construction have surfaced over the past couple of years through the housing studies conducted in the City and County. Each development is currently proposed upon vacant land. These developments are expected to attract new people to the area, become second homes for families from the Metro Baltimore/D.C. area, and create a shift in occupants of housing stock from under affordable units to affordable units for the greater than 80% MFI.

The following terms are defined for the City of Cumberland:

**Standard condition, financially and structurally feasible for rehab** - Units that currently do not meet HQC standards, but if rehabilitated, could pass HQS without exceeding 100% of the after rehab value of the unit.

**Substandard condition and not suitable for rehab** - By local definition, dwelling units that are in such poor condition as to be neither structurally nor financially feasible for rehabilitation.

**Substandard condition and suitable for rehab** - By local definition, dwelling units that do not meet standard conditions but are both financially and structurally feasible for rehabilitation.