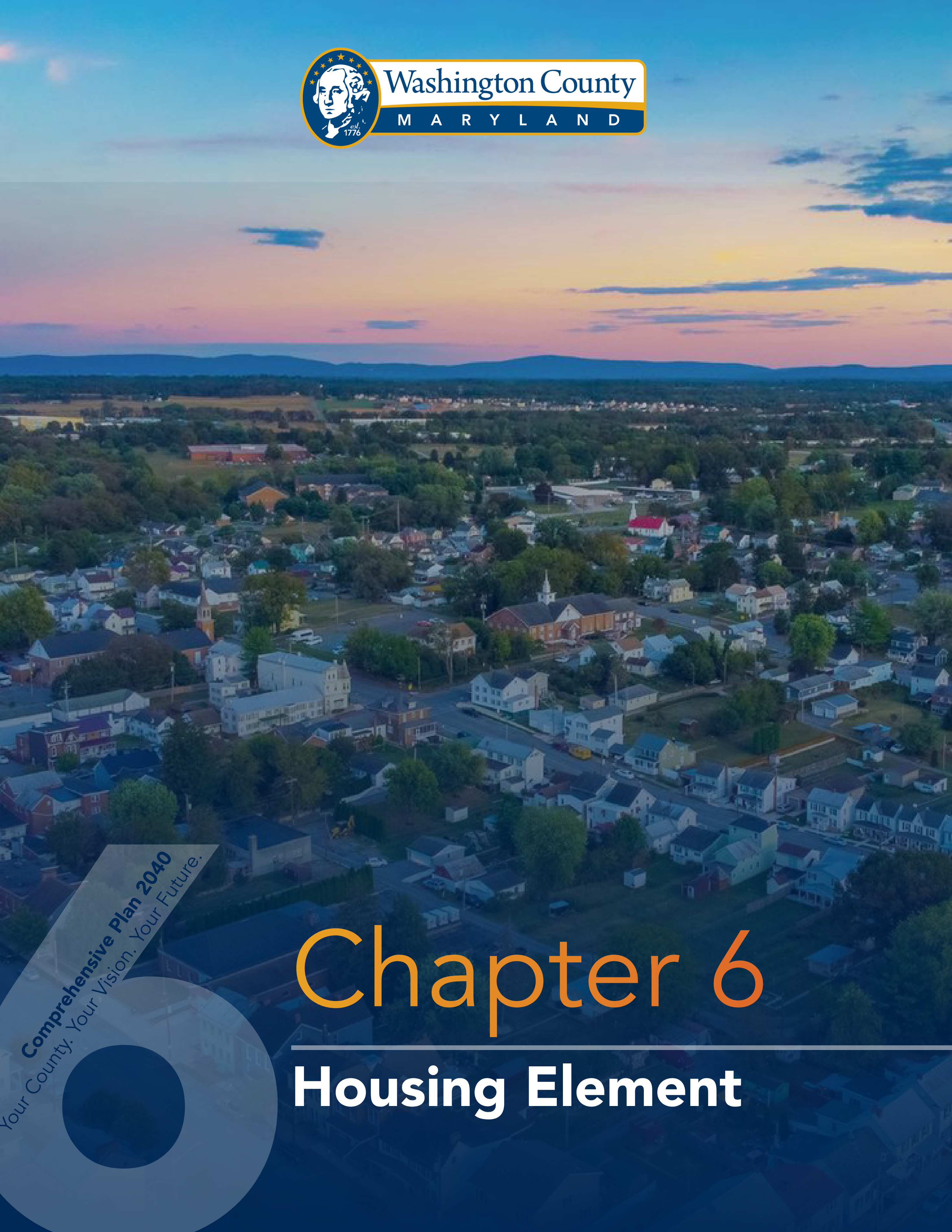
Washington County
MARYLAND



Comprehensive Plan 2040

Your County. Your Vision. Your Future.

Chapter 6

Housing Element

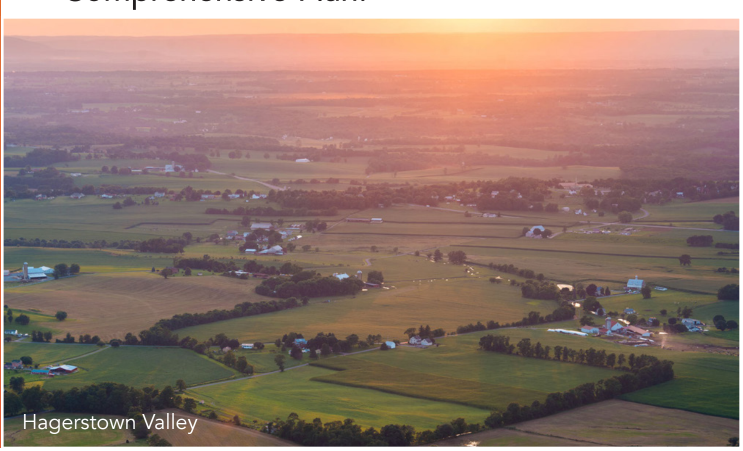
HOUSING
Element

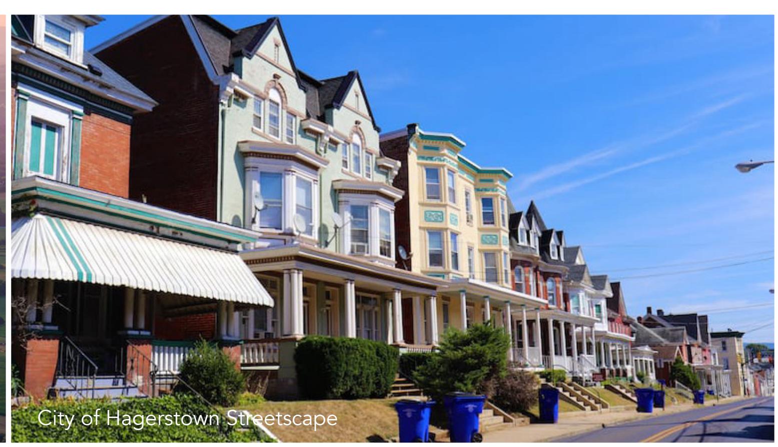
Introduction

The provision of housing is a foundational element in determining the character of a community and the quality of life experienced by its residents. Historic events have left a unique range of housing types and styles across the rural and urban landscapes of Washington County. Advancements in technology and personal transportation have enabled people to live, work and obtain goods or services separated by spatial distances unimaginable to past generations. These advancements have impacted the location, quantity, and quality of new housing units constructed in the County. The spatial freedom has necessitated the rise of growth management strategies at the municipal, county and state levels in order to maintain coherence in the locally built environment. Managing the substantial costs that arise from the provision of public goods and services being dispersed throughout different areas of settlement has become a challenge at all levels of government. It is in response to such trends that Washington County has long followed the Statewide practice of encouraging development within planned growth areas to most efficiently meet the needs of local residents within the limits of fiscal constraints. In rural areas, Washington County uses tools such as its robust land preservation programs to incentivize the retention of working agricultural lands and keep a key local industry viable in the long-term. Zoning and the targeted provision of public infrastructure are key regulatory tools which help govern the rate and location of new growth.

It is the focus of this section to identify strategies that balance personal housing choice and growth management objectives in providing for the housing needs of Washington County. This chapter will identify key issues and trends related to housing using US Census data and other informational resources which help to address fundamental concerns, such as the provision of affordable, workforce and low-income housing to serve the needs of all County residents. Overall land development patterns across urban and rural areas will be examined.

Finally, housing needs and projections are accounted for by employing data analysis across spatial boundaries and by examining the County's progress on housing since its previous Comprehensive Plan.


Hagerstown Valley


City of Hagerstown Streetscape

Existing Housing Conditions

To project future housing needs it is important to first offer a snapshot of existing housing conditions in Washington County. Building upon the data outlined in the Existing Conditions chapter of this Plan, including changes in total population, household size and composition and household income, a baseline survey of the existing housing supply in Washington County is described below. These tables account for the occupancy, tenure, age and type of all housing units within the County.

Housing Occupancy and Tenure

Occupancy and tenure statistics provide a broad overview of the inventory of housing stock currently available to meet demand. Changes in rates of homeownership, in particular, are indicative of the ability of the local jurisdiction to meet the needs of its residential tax base and provide an affordable cost of living. They also provided a window into the overall ability of the available housing stock to meet varied lifestyle preferences and attract new residents. Trends in these two measures are summarized in the data below.

Table 6-1, below, describes occupancy and tenure measures between 2000 and 2020 in Washington County. Total housing grew by 8,649 units or 16.3% during the time period surveyed. The percent of owner-occupied housing units remained largely steady at roughly two-thirds of all housing units throughout these two decades. Total vacant housing units also increased by more than 2% by 2010 before stabilizing in the next decade. Similarly, rental vacancy rates rose by 3% from 2000 to 2010, before declining to historic rates by 2020. Homeowner vacancy rates have held steady just above 2% since 2010.

Table 6-1: Housing Occupancy and Tenure

HOUSING OCCUPANCY AND TENURE						
	2000		2010		2020	
	Number	% of Total	Number	% of Total	Number	% of Total
Total Housing Units	52,972		60,460		61,621	
Total Occupied Housing Units	49,726		55,419		56,367	
Owner-Occupied	32,630	65.6%	36,741	66.3%	37,540	66.6%
Renter Occupied	17,096	34.4%	18,678	33.7%	18,827	33.4%
Total Vacant Housing Units	3,246	6.1%	5,041	8.3%	5,254	8.5%
Homeowner Vacancy Rate		1.6%		2.1%		2.2%
Rental Vacancy Rate		5.1%		8.1%		5.1%

Source: US Census Bureau 2000 (DP4), 2010 and 2020 ACS 5-year Estimates (DP 4)

Age of Housing

Age is another important characteristic to consider in judging the adequacy of the existing housing stock to meet present and future needs. Table 6-2 displays the age of existing housing units in Washington County by the number of units built in each decade. The table shows that a relatively similar number of dwelling units were constructed in each decade with a few exceptions. When the age of the housing stock is further broken down according to tenure (owner v. renter occupied), the percentages built by decade generally varied by only 1-2% or less. Therefore, findings from the overall housing stock age include:

- The largest number of units built in a single decade occurred between 2000-2009. This corresponds with the building boom which occurred during much of that period. The second largest number of units was built during the 1990s, another period of national economic expansion, further reinforcing how local housing trends mirror the larger economy.

- A considerable number of housing units remain in use that were built prior to 1940. This figure demonstrates the County's extensive history of modern settlement. The smallest number of units built in a single decade occurred during the wartime period of 1940-1949.

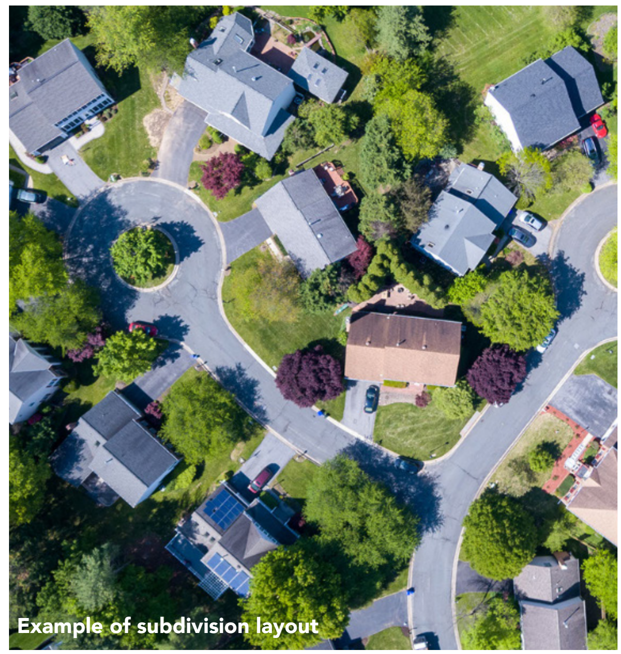

Example of subdivision layout

Table 6-2: Age of Housing Stock

	2000	2010	2020
Year Built	Number	Number	Number
2010 or later			2,369
2000 to 2009		8,560	8,292
1990 to 1999	7,579	7,439	8,223
1980 to 1989	6,877	6,635	7,283
1970 to 1979	8,396	7,932	7,842
1960 to 1969	5,766	5,910	6,037
1950 to 1959	6,487	7,393	6,362
1940 to 1949	4,174	4,214	2,771
1939 or earlier	13,693	12,377	12,422
Total Housing Units	**52,972**	**60,460**	**61,621**

Source: US Census Bureau 2000 (DP4), 2010 and 2020 ACS 5-year Estimates (DP 4)

Age of Housing Continued...

There are some caveats that should be noted to the data presented in Table 6-2. First, there are anomalies in the data in which the number of housing units actually increase in the next Census survey. For example, the number of housing units built between 1950 to 1959 rose from 6,487 in 2000 to 7,393 in 2010. These can likely be explained by the changing survey methods conducted by the U.S. Census Bureau between 2000 and 2010 with the introduction of the American Community Survey, which now provides continuous estimates of social, economic, housing, and demographic data every year. Therefore, there is variability in the data between decades even when using the same tables. As a result, the loss or gain of structures within 10-year survey periods is likely as attributable to data collection methods as it is to the issuance of demolition permits.

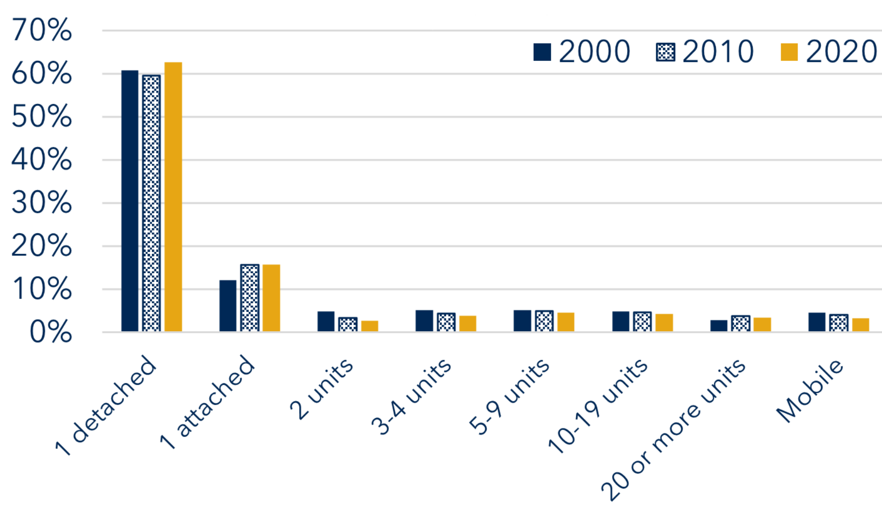
It should also be noted that the age of a dwelling is not always the best indicator of its condition, as maintenance and other factors can keep older structures viable for a considerable amount of time. However, another common Census measure used to judge housing conditions - Occupied Housing Units Lacking Complete Plumbing or Kitchen Facilities - did not show significant change during the 20-year surveyed, ranging between a few tenths of a percent to below 1% throughout that time.

Number of Housing Units

Another key indicator of housing diversity and affordability is the number of units in a structure. Having a diverse inventory of housing units serves varied lifestyle preferences and income levels in a community. Chart 6-1, below, again demonstrates the predominance of detached single-family homes among the County's housing stock, which consistently hovered around 60% of all housing units from 2000 to 2020.

Other notable trends that can be observed in Chart 6-1 include an increase in the number of single-family attached dwelling units and a decline in the percentage of nearly all other housing unit types. Single-family attached units (i.e. - townhomes) have become an increasingly attractive and affordable housing option for many individuals and families in Washington County, now making up more than 15% of all housing units. Conversely, nearly all other unit types either remained flat or declined, both in the number of units and as a percentage of total units. In particular, housing types containing between two to four units saw notable declines in number and as a percent of total housing stock during the last 20 years.

Chart 6-1: Number of Units Per Housing Structure



Affordable and Workforce Housing

Introduction

Housing costs are expensive throughout the State of Maryland. A recently published report by the National Low Income Housing Coalition ranked Maryland as the 9th most expensive state in the U.S. for rental housing costs. According to the report, a full-time worker (working 40 hours per week, 52 weeks per year) would need to earn $28.93 per hour ($60,183 annually) in order to afford Fair Market Rent for a two-bedroom rental home, without paying more than 30% of income towards housing costs. Fair Market Rent (FMR), which provides an estimate (determined by HUD) of the cost of rent and utilities for a modestly priced rental unit, is $1,510 in Maryland.

In Washington County, rental housing costs are less severe, but still concerning for working class households. Here, a household must earn $18.69 per hour, or $38,880 per year to avoid spending more than 30% of their income on rental housing. The report estimates the hourly mean renter wage in Washington County is $13.78 per hour. Two-bedroom FMR was $972 per month at the time of the report.[1] Public comments collected during outreach meetings for the update of this Plan also expressed concern that there was a widening gap in the average sale price of homes in Washington County relative to median household incomes.

Statistics such as these make clear that, although Washington County is comparatively less expensive than many other counties in Maryland, affordable housing remains an essential consideration in planning for the County's present and long-term needs.

Legislative Background

State legislative action targeting the provision of affordable housing has grown over time in response to the recognition of escalating housing costs throughout Maryland. As noted in Chapter 2, Maryland has incrementally increased requirements for affordable housing planning by local jurisdictions. These legislative efforts include:

★ House Bill 1160 - Workforce Housing Element (2006)

Established a Work Force Housing Grant Program, which can be used by local jurisdictions that have a Work Force Housing element in its comprehensive plan.

★ House Bill 1045 (2019)

Any new Plan adopted after June 1, 2020, must include a Housing Element and address the need for workforce and low-income housing within its boundaries.

1 National Low Income Housing Coalition. Out of Reach: The High Cost of Housing. P. 127-129. 2022.

★ HB 90 (2021): Affirmatively Furthering Fair Housing

Requires all housing elements for municipalities and non-charter counties to "affirmatively further fair housing" as of January 1, 2023. HB 90 defines affirmatively furthering fair housing as, "taking meaningful actions… to:

- Overcome patterns of segregation;
- Foster inclusive communities free from barriers that restrict access to housing and opportunity based on protected characteristics;
- Address significant disparities in housing needs and access to opportunity;
- Replace segregated living patterns with truly integrated and balanced living patterns; and
- Foster and maintain compliance with civil rights and fair housing laws."

Terms Defined

The Annotated Code of Maryland provides definitions for both affordable and workforce housing within the Housing and Community Development Article 4-1801 under the Workforce Housing Grant Program.

Affordable means that "housing costs do not exceed 30% of household income"

Workforce housing is defined as:

- "Rental housing that is affordable for a household with an aggregate annual income between 50% and 100% of the area median income; or
- Homeownership housing that:
  - ★ "Is affordable to a household with an aggregate annual income between 60% and 120% of the area median income; or"
  - ★ In target areas that are recognized by the Secretary for purposes of administering the Maryland Mortgage Program, "is affordable to a household with an aggregate annual income between 60% and 150% of the area median income.".

Washington County Affordable Housing Measures

Using the above definitions as a guide and pulling from Census data covering a twenty-year period, a profile of housing affordability measures is offered in the section that follows below. These measures include monthly household spending on housing, home values, and median rent.

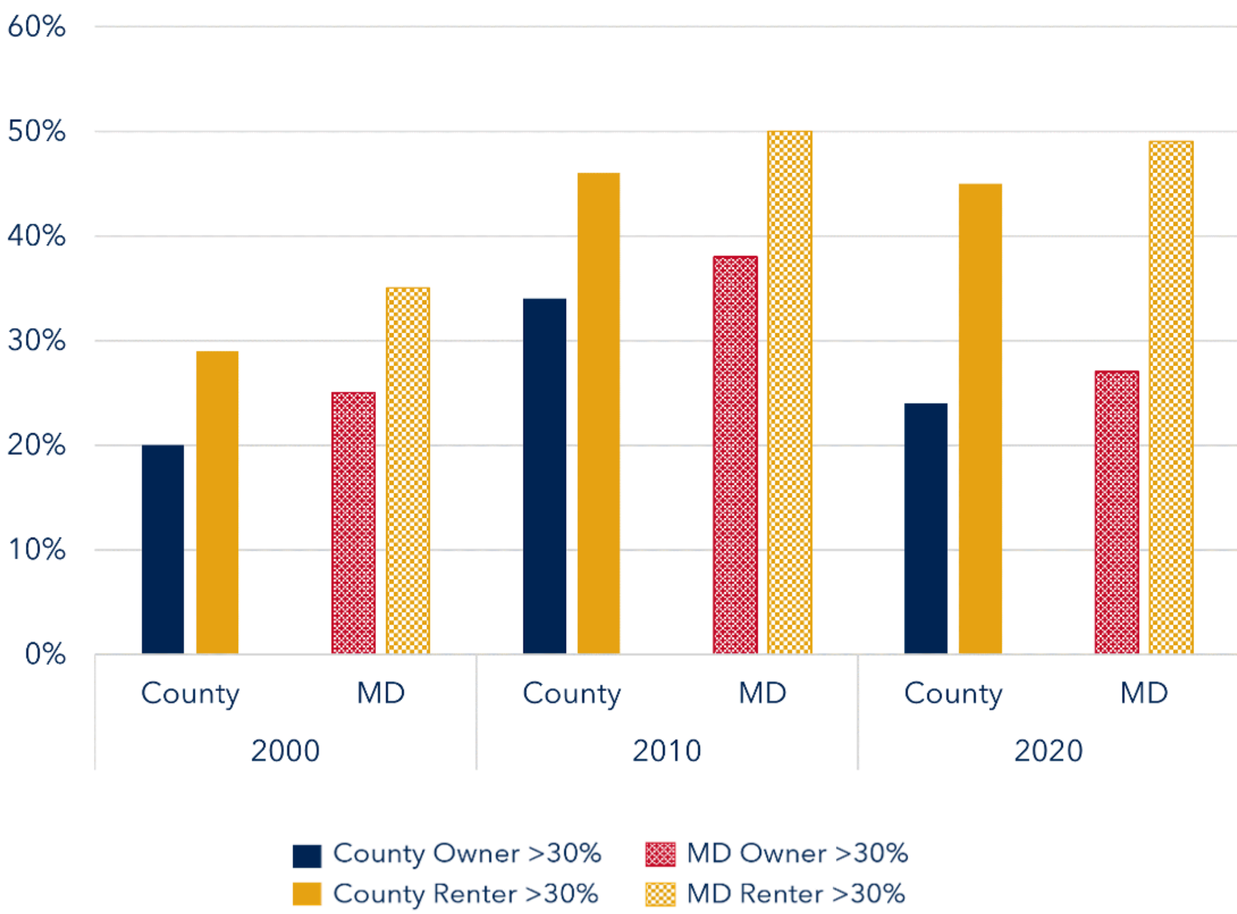
Household Housing Expenses

Chart 6-2 offers a comparison of the percentage of households devoting 30% or more of monthly housing costs in Washington County versus the State of Maryland overall between 2000 and 2020. The percentages are shown for both households with a mortgage and those who are renting.

Immediately evident in this chart is the relative affordability of housing in Washington County in comparison to the State overall. In the County, 10% - 20% fewer total households in the County spent less than 30% of their monthly household income on housing in comparison to the State as a whole from 2000-2020.

The chart also indicates the differing fates of owners and renters over this period. Those owning a property have fared far better than those renting since 2010. Between 2000 and 2010, the percentage of both owners and renters spending more than 30% of their monthly household income on housing costs increased by similar percentages locally and across Maryland. After 2010 however, the percentage of owners facing this housing cost burden decreased by at least 10% in the County and State, while the percentage of renters exceeding the 30% standard remained essentially unchanged. Nearly half of all renting households spend more than 30% of their monthly household income on housing both at the County and State levels.

Chart 6-2: Monthly Housing Costs



Area Median Income

Area median Income (AMI) is a key metric in affordable housing programs across the U.S. Area median income is defined as the midpoint of a specific area's income distribution (approximately 50% of families have an annual income above the AMI level, and 50% below). The U.S. Department of Housing and Community Development (HUD) bases its AMI calculations on a four-person household. MFI, or median family income, is often used interchangeably with AMI. AMI is calculated on an annual basis by HUD. Maryland HB 1045 requires that housing elements use HUD's AMI calculations when planning for workforce and low-income housing.

This metric is important because many of HUD's housing programs utilize this value to determine renter eligibility for public housing support. To be eligible for a Housing Choice Voucher, for example, household income must be at or below 50% of the AMI. Because the HUD figure is tied to a four-person household, these values are not absolute and can be adjusted depending on the size of a household among other housing cost factors. For an affordable housing community which reserves units for households earning 50% of AMI, a two- person household would have a lower threshold than a five-person household.

Information on household income was presented in Chapter 4 and is revisited here for the purposes of housing costs. Table 6-3, below, looks at the percentage of County households earning between 0% and 120% of the AMI in 2020, in accordance with definitions for Affordable and Workforce Housing at the State and Federal levels. Four categories within this range are noted in the table: Extremely Low Income (0% to approximately 30% of AMI), Very Low Income (30% - 50% of AMI), Low Income (50% to 80% of AMI), Moderate Income (80% to 120%). In 2020, HUD put the MFI in Washington County at $79,800.[1] Therefore, these limits were as follows in 2024:

Maryland HB 1045 Family Income Levels/Ranges

2024 Washington County AMI	$90,900
Very Low Income (< 50 % AMI)	$45,540
Low Income (< 60 % AMI)	$54,450
Workforce Rental Range (50% - 100% AMI)	$45,450 - $90,900
Workforce Ownership Range (60% - 120% AMI)	$54,540 - $109,080

Source: Maryland Department of Planning HB 1045 Housing Dashboard

Census Data for household income, however, is not reported according to these exact income ranges. HUD AMI income ranges come closest to falling within the Census household income ranges. The HUD ranges are defined as follows: Extremely Low Income (0% to 30% of AMI), Very Low Income (30% - 50% of AMI), Low Income (50% to 80% of AMI), Moderate Income (80% to 120%).

The following Census household income ranges (some consolidated) are substituted for the HUD AMI ranges noted above to provide a further picture of housing costs faced by Washington County households:

1 Department of Housing and Urban Development. FY 2020 Income Limits Documentation System. Retrieved from https://www.huduser.gov/portal/datasets/il/il2020/2020summary.odn on March 14, 2023

Table 6-3: Washington County Households with Household Income Between 0% and 110% of Area Median Income in Last 12 Months

Household Income	Number HH	% of Total HH
$0 to $24,999	9,255	15.7%
$25,000 to $49,999	11,587	19.6%
$50,000 to $74,999	9,472	16.0%
$75,000 to $99,999	7,949	13.5%
Total County Households	**59,051**	

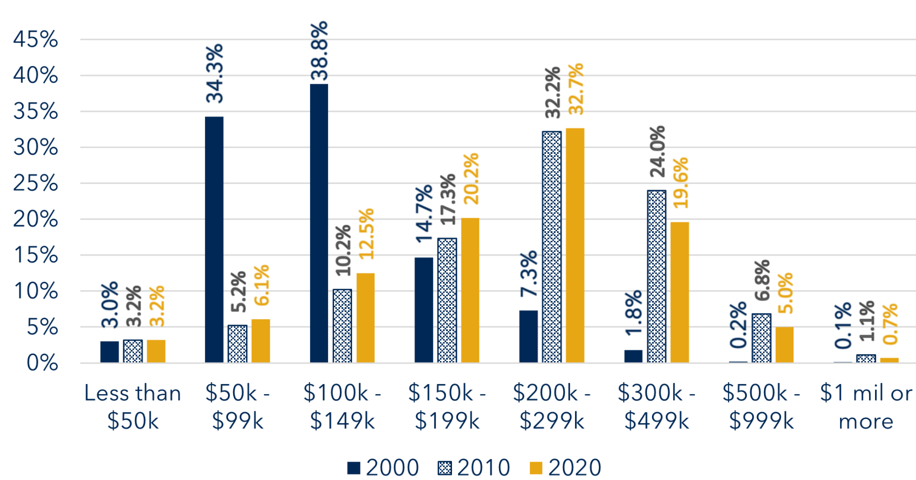
Source: 2022 American Community Survey 5-Year Estimate (B1001)

The table above indicates a fairly similar range of County households falling within each of the income range categories defined in the prior paragraph, with the largest number and percentage of households found within the Low Income category (19.6%). Looked at another way, the table demonstrates that 51.3% of all Washington County households could be described as falling within one of the three low income categories (making somewhere between 0% and 82.5% of the Area Median Income). Therefore, many of these households would potentially qualify for housing assistance due to the cost burden faced to meet their housing needs. The comprehensive housing study advocated for in the recommendations at the end of this chapter should refine this preliminary analysis to better understand housing needs for low income households in Washington County.

Home Values

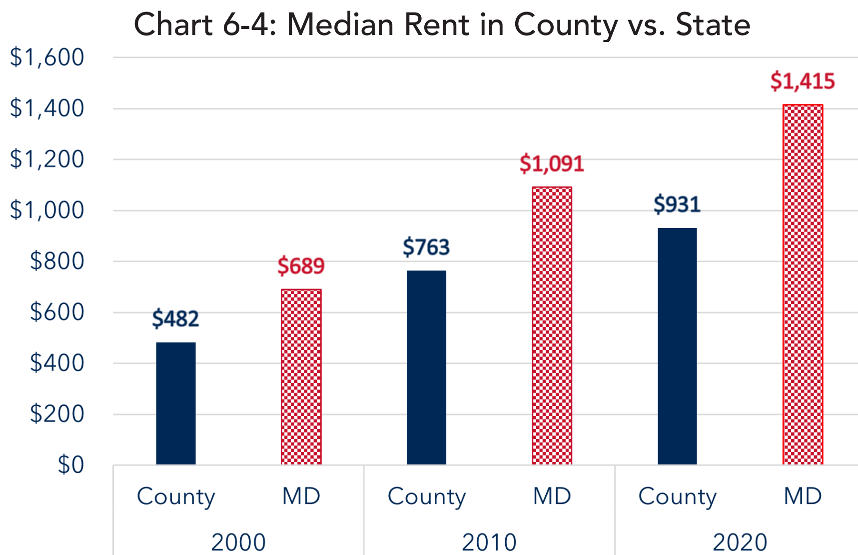
Chart 6-3, below, provides a look at owner-occupied home values between 2000 and 2020 in Washington County. As is apparent from the chart, home values have increased dramatically during the last 20 years locally, mirroring the national trend. Median home values in Washington County have essentially doubled during this period, rising from $115,000 in 2000 to $221,000 as of the 2020 Census. Correspondingly, the chart below notes that the greatest percentage of owner-occupied homes surveyed in Washington County are now valued at $200,000 to $299,999. In 2000, nearly 40% of all homes were valued at under $150,000.

Chart 6-3: Owner Occupied Home Values



Median Rent

Median rent has shown a similar pattern to home values during this same time period in Washington County as displayed in Chart 6-4 below. According to Census Data, median rent has grown from $482 in 2000 to $931 in 2020, nearly doubling in the process. This increase is in line with what has happened in Maryland overall, where median rent has grown from $689 in 2000 to $1,415 in 2020.



Other Measures of Housing Need

Environmental Justice Measures

In addition to the more traditional economic and demographic measures which affect affordability that are offered in the Existing Conditions, Housing and Transportation chapters of this plan, other metrics can offer a different window in places where additional investment may be needed in Washington County. One such lens from which to glean this information is by utilizing the increasingly robust set of data measures that fall under the larger umbrella of environmental justice concerns.

Environmental justice (EJ) is defined under Maryland state law as “equal protection from environmental and public health hazards for all people regardless of race, income, culture, and social status.” Inherent in this definition is the acknowledgment that equal protection from these hazards has not been achieved equally by all Americans throughout our County’s history due to legacies of segregation, economic disinvestment, the concentration of poverty and many other interrelated factors often related to race and social class. For example, an early study conducted by the United States General Accounting Office in 1982, using 1980 Census data, entitled *Siting of Hazardous Waste Landfills and Their Correlation with Racial and Economic Status of Surrounding Communities* found that three out of four hazardous waste landfills examined were located in communities where African Americans made up at least 26% of the population, and whose incomes were below the poverty level. In the 21st century, these historic legacies which have often left some communities more disadvantaged than others are further compounded by the multi-faceted threat of climate change which adds another layer of vulnerability to their uncertain futures.

In service of helping local jurisdictions to identify these communities for future support and investment and in conformance with the requirements of related State legislation such as HB 90 (Affirmatively Furthering Fair Housing), the Maryland Department of the Environment has created an EJ Screening Tool. This interactive webmap offers numerous socioeconomic, demographic and environmental measures for utilization in land use planning and practice. Local jurisdictions assessing fair housing under HB 90 can utilize EJ Scores calculated by the Screening Tool to identify communities of concentrated racial poverty.

The EJ Score is the most all-encompassing measure offered by MDE's Screening Tool. Broadly, MDE uses four indicators to screen locations and communities based on census and health data:

- Pollution burden exposure
- Pollution burden environmental effects
- Sensitive populations
- Socioeconomic/Demographic indicators

More specifically, it identifies "underserved" and "overburdened" communities in Maryland and combines these two overarching metrics into an overall EJ Score.

Underserved Communities are defined by State law as "any census tract in which, according to the most recent U.S. Census Bureau survey:

- At least 25% of the residents qualify as low-income;
- At least 50% of the residents identify as nonwhite; or
- At least 15% of the residents have limited English proficiency.

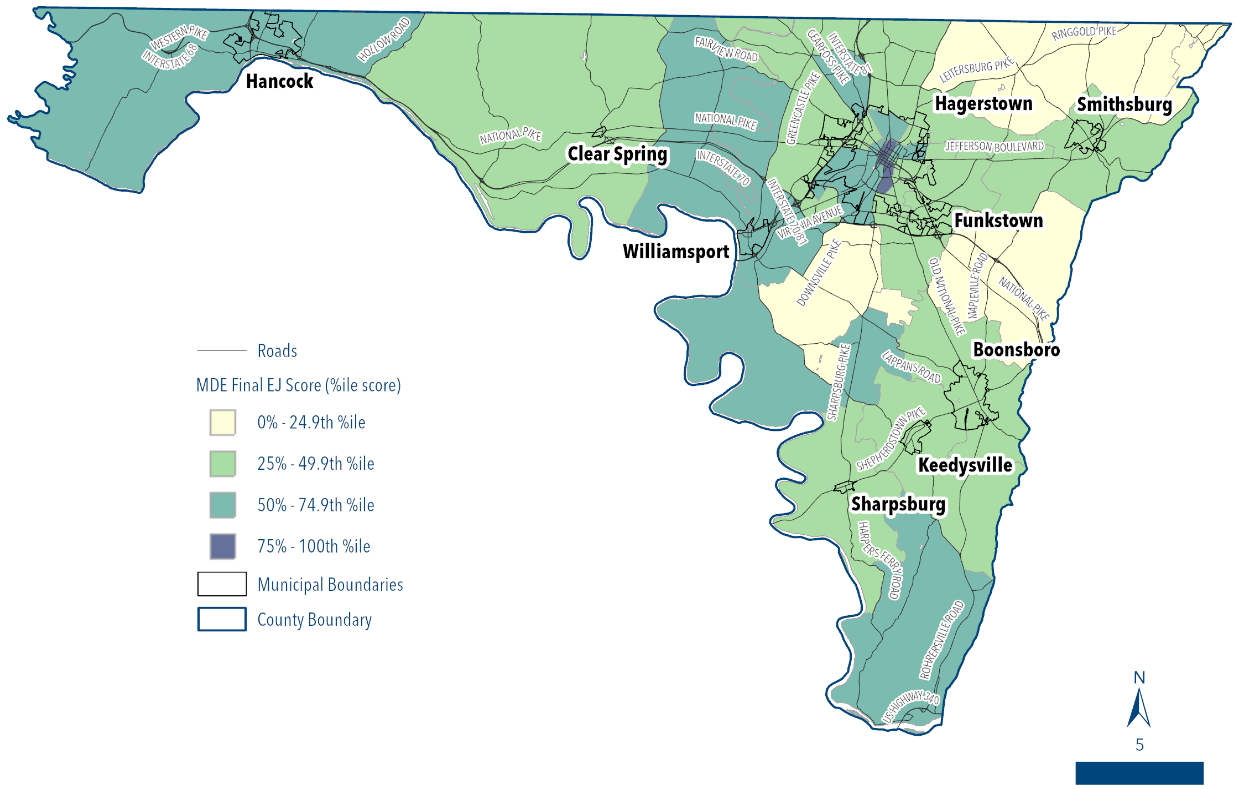
Overburdened Communities are defined by State law as "any census tract in which three or more of" twenty-one different "environmental health indicators are about the 75th percentile statewide" such as:

- National Air Toxic Assessment respiratory hazard index
- Traffic proximity
- Wastewater discharge indicator
- Proximity to a brownfields site

**Note: The full list of environmental health indicators can be found at the following location: https://mde.maryland.gov/Environmental_Justice/Pages/EJ-Screening-Tool.aspx*

The following map shows overall EJ Scores for Census tracts throughout Washington County. Census tracts appearing in dark blue are indicative of those locations which possessed the highest percentile (falling between 75th and 100th percentile) statewide of combined "underserved" and "overburdened" factors alluded to above.

Map 6-1: Environmental Justice Scores by Census Tract



Source: Maryland Department of the Environment

The two Census tracts identifying the areas most affected by environmental justice concerns are found within the City of Hagerstown, encompassing the Jonathan Street, Central/Downtown and Southeast Hagerstown neighborhoods. There are a variety of characteristics, stemming from historical and current factors, that contribute to these two Census tracts receiving these ratings, as exhibited by the granular data contained with the Screening Tool's overall model. These include a location proximate to major arterial and/or collector streets, concentrated minority populations that also exhibit high poverty rates due to various systemic and historical factors, aging water and sewer infrastructure, urban heat island effects and the relative proximity to a Superfund site (Central Chemical). Though not part of the model, the historic decline of goods and services in the central business district following the loss of major Countywide employers (Ex-Fairchild) is another factor with cascading impacts affecting myriad elements of personal and community wellbeing familiar to many formerly industrial-oriented cities across America such as Hagerstown.

Aside from the two Census tracts highlighted in Hagerstown, the rest of the County generally falls between the 40th and the 60th percentile statewide in terms of EJ scores. Census tracts are much larger in rural areas of the County, as population is far more sparse outside of the County's Urban and Town Growth Areas. Census tracts falling within this middle range of EJ scores cover the majority of the County's land area. Therefore, outside of specific locations within Towns or rural areas where there are legacies of industrial development to contend with (such as Williamsport of Hancock), most of the larger County is about on par with the rest of Maryland for environmental concerns. County Census tracts with the lowest EJ scores could be characterized as either sparsely populated rural or preserved land in eastern Washington County or found within the heavily suburbanized corridor south of I-70 and the Hagerstown city limits which is bisected by Sharpsburg Pike.

The EJ Screening Tool, therefore, highlights different areas (most specifically in central Hagerstown) that may require additional investment in housing and other services in comparison to those identified in the Transportation Element (see the section on Location Affordability), for example, that follows this chapter. At the same time, however, the Tool also reveals that the lens by which one analyses the desirability of such places makes a difference in the conclusions which one reaches. In the Transportation Element, Central Hagerstown is identified as a less cost-burdensome area when looking at housing and transportation costs. This is principally due to the compact urban footprint of the central city, laid out historically before the dominance of automobiles, that continues to make it very walkable and bikeable. This in turn reduces some transportation costs and fosters greater social interaction among neighborhood residents than some less dense, auto-dependent parts of the County. Housing in central Hagerstown also tends to cost less overall than suburban areas of the wider County as properties are smaller and more often occupied by renters. The City of Hagerstown has also made substantial investments in it's Downtown in recent decades to support housing, shore up institutions and grow economic development in the area. In sum, it is important to look at a variety of different socioeconomic, demographic and environmental measures to properly balance such diverging narratives about a given place in order to prioritize what types of investments are truly needed and where. The EJ map does, however, flesh out a more complete picture in identifying areas of need for additional housing and services in Washington County when added to the analyses contained elsewhere in this Plan.

APFO Considerations on Housing Affordability

Washington County's Adequate Public Facilities Ordinance (APFO) ensures that there is adequate infrastructure to serve new development. The APFO requires that new development mitigate impacts upon existing infrastructure concurrently when the impact occurs. The APFO's concurrency requirement applies to impacts upon roads, schools, water and sewer systems, and in some areas, fire protection systems.

In the case of school capacity, when the effect of a proposed residential development causes existing enrollment to exceed State Rated Capacity (SRC), the developer may choose to pay the Alternate Mitigation Contribution (AMC) to offset the impact on school capacity, thereby removing a significant obstacle to the project's approval by the County. The AMC remains a mitigation option unless the impacted school district exceeds 120% of SRC.

In cases where one school in an attendance zone is over capacity but another school adjoining district at the same grade level is at least 20% under the SRC, the Board of Education (BOE) may determine that a redistricting is warranted to meet adequacy standards, if requested, by the applicant instead of paying the AMC.

If neither option is successfully pursued, and the developer cannot work out an alternative arrangement with the Board of County Commissioners of Washington County, Maryland (i.e. - dedicating a site for a new school within the development) the final subdivision or site plan shall be denied. This effectively puts a moratorium on residential development for major subdivisions in that district until the school capacity issues are resolved.

Proactive long-term facility planning by the Board of Education (BOE) (in consultation with the

County) and the ability of developers to pay the AMC, have effectively prevented a delay in issuing approvals for residential plans and building permits due to capacity issues in County schools. Elementary school attendance zone realignments, the creation of portable classrooms and school consolidation at the elementary school level have also helped further alleviate potential roadblocks, as each has been successfully pursued by the BOE during the last 10 to 20 years.

Nevertheless, when significant sustained periods of residential development occur (such as in the early 2000s in Washington County), school capacity can quickly become an issue. In that type of economic climate, development costs (such as the AMC) to bring existing infrastructure up to adequate standards may be significant. This cost may be passed on to individual homebuyers as developers seek to gain a return on their significant financial investments in the project. Thus, it is helpful for projecting impacts on housing costs, to take at least a snapshot of current school capacity in Washington County Public Schools, (WCPS) as they are directly impacted by residential growth.

According to the BOE's March 2024 Enrollment Report, 18 of 25 elementary schools exceeded the Local Rated Capacity (LRC) used by the APFO to determine adequacy for that grade level. 10 of those 18 schools also surpassed the SRC. At the middle school level, one of eight schools currently exceed the SRC, which is the capacity standard for middle and high schools. Two of seven high schools currently exceed the SRC, including both South and North Hagerstown High Schools, which are projected to exceed SRC over the next decade, according to the BOE's 2024 Educational Facilities Master Plan (EFMP).

The overcapacity concern at the elementary level of WCPS is tempered somewhat by the recent economic downturn that affected the County in the last several years, due both to the recession and COVID-19 Pandemic. Recent years have seen significantly fewer housing starts than during the housing boom of the early to mid-2000s. Slowed residential construction in tandem with a recent decline in birthrates has therefore resulted in a static or declining elementary school enrollment for the last several years. It is however expected to increase slightly and continue to grow slowly over the next decade according to the 2024 EFMP. The creation of the pre-K program at Funkstown Elementary has also resulted in significant enrollment increases as it has an open attendance zone.

The perceived total available high school seat capacity in Washington County is somewhat misleading in that many of the "available" seats (400+) are located in more remote high school service areas like Clear Spring and Hancock, located to the west of central Washington County. Boonsboro and Smithsburg high schools (located south and north of central Washington County) collectively had 380+ seats available in 2023. Based in part on changing populations, and available/needed seat capacity at the secondary (middle and high school) level, plans are being developed to address student, educational, athletic, and aging facility infrastructure needs in the most efficient ways possible.

Affordable Housing Tools and Resources

A variety of entities representing the non-profit, public and private sectors, work to address housing related issues in Washington County. A non-exhaustive list of housing providers, housing support service organizations and housing improvement incentives is included in the Appendix.

Housing Activity Data and Trends

Residential and commercial building activity can be analyzed using the County's online development tracking system, Accela Automation. This program allows staff to input and monitor data that can be used to evaluate land development patterns in the County. This program (and its predecessor Permits Plus) has been used to track data since August 1994. Trends can be identified from this data that offer insight into where County housing policies and development regulations may be able to help support the stability and affordability of the local housing market.

Land Development Activity

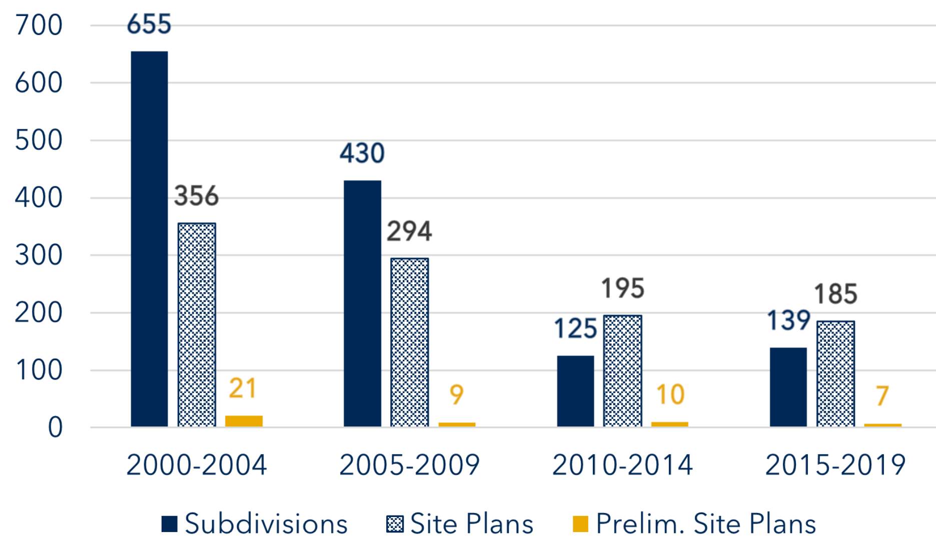
Chart 6-5 lists land development data for approved new lot subdivisions, site plans and combined preliminary plat-site plans (PSPs) between 2000 and 2019, in five-year intervals. The years since 2019 have been omitted from the chart to keep the five-year comparisons intact and because of effects of the COVID-19 Pandemic skewing data on land development activity in numerous respects.

The primary trend made evident by Chart 6-5 is the steady decline in building activity from the beginning to the end of the survey period. The local housing market boom of the early to mid-2000s began tapering off by the latter part of that decade, particularly in the number of new subdivisions. Subdivisions dropped by 1/3 during the 2005-2009 period in comparison to the 2000-2004 time frame (from 655 to 430).

Approved site plans also dropped off notably after 2005, but less steeply than subdivisions. There were 17% fewer approved site plans during the second half of the 2000s (356 to 294). Site plans in Washington County are primarily submitted for non-residential development projects. Construction of single-family, two-family or semi-detached housing units don't require a site plan. Thus, the Chart demonstrates a substantial decline in both residential and non-residential building between 2000 and 2019.

Table 6-4 displays approved residential permits between 2000 and 2019 according to the type of dwelling unit. This table serves to reinforce not only the trends identified in Chart 6-5, but also the Census data related to dwelling unit types in Chart 6-1.

Chart 6-5: Land Development Activity



Regarding dwelling unit types, Table 6-4 clearly demonstrates the predominance of single-family housing in the building permit activity during the last 20 years. Single-family detached dwellings comprised 64.6% of the 7,515 total residential building permits collected by the County from 2000 to 2019. Fifty-three percent (2,587 of 4,857) of these single-family building permits were approved in just a five-year period from 2000-2004.

In addition, residential permit activity for all dwelling types declined heavily after 2009. Markets for townhomes and two-family dwellings appear to have rebounded somewhat after steep declines in building permits for those unit types during the early 2010s. Permits issued for apartments and mobile homes, which often provide affordable housing options, all but ceased by 2010 but have seen a slight uptick since 2015. All the condominium permits issued during this period, from 2005 to 2009, were associated with a single phase of a planned unit development, Rosewood Village

Table 6-4: Residential Building Permits by Housing Type 2000-2019

Year	SF	2-F	TWN	APT	Condo	MH
2000-2004	2,587	161	380	212	0	155
2005-2009	1,155	262	204	144	40	93
2010-2014	548	98	70	0	0	19
2015-2019	567	185	137	60	0	26
TOTALS	**4,857**	**706**	**791**	**416**	**40**	**293**

Source: Accela Automation

Factors Influencing Land Development Activity Since 2000

Clear trends in housing activity are identified in the charts above during the first two decades of the 21st Century. It is important to have context, however, to understand why the local housing market has trended in this direction for the last 20 years. Both national economic trends and local changes in land use policy and regulation have played significant roles in creating the present housing market in Washington County.

In terms of local land use policy changes, Washington County undertook a comprehensive rezoning of its Rural Areas in 2005 followed by Urban and Town Growth Areas in 2012, and 2015 respectively. These comprehensive rezonings were recommended within the County's 2002 Comprehensive Plan. The intent of these regulatory measures was to more directly influence the location and pace of growth in Washington County.

Washington County has long pursued a strategy of seeking to attract development where it is desirable (in planned growth areas where infrastructure needed to serve development already exists), while limiting its spillover effects in areas where it is less desired (in rural areas where agriculture is the primary land use and sensitive environmental resources are found in greater abundance). The mechanism for directing growth in this manner was a significant reduction in the permitted density of residential development in the Rural Area in 2005. Corresponding changes were made to the Zoning Ordinance in 2012 and 2015 which allowed for higher density development in the Urban and Town Growth Areas that surround the larger established communities in Washington County. As the Zoning Ordinance had not been comprehensively updated since its inception in 1973, and a nationwide housing boom was underway in the early to mid-2000s, these measures sought to address rapid land use changes. These changes threatened to fundamentally alter the County's overall character and bring incompatible adjacent land uses into greater conflict.

Town of Boonsboro - Main Street

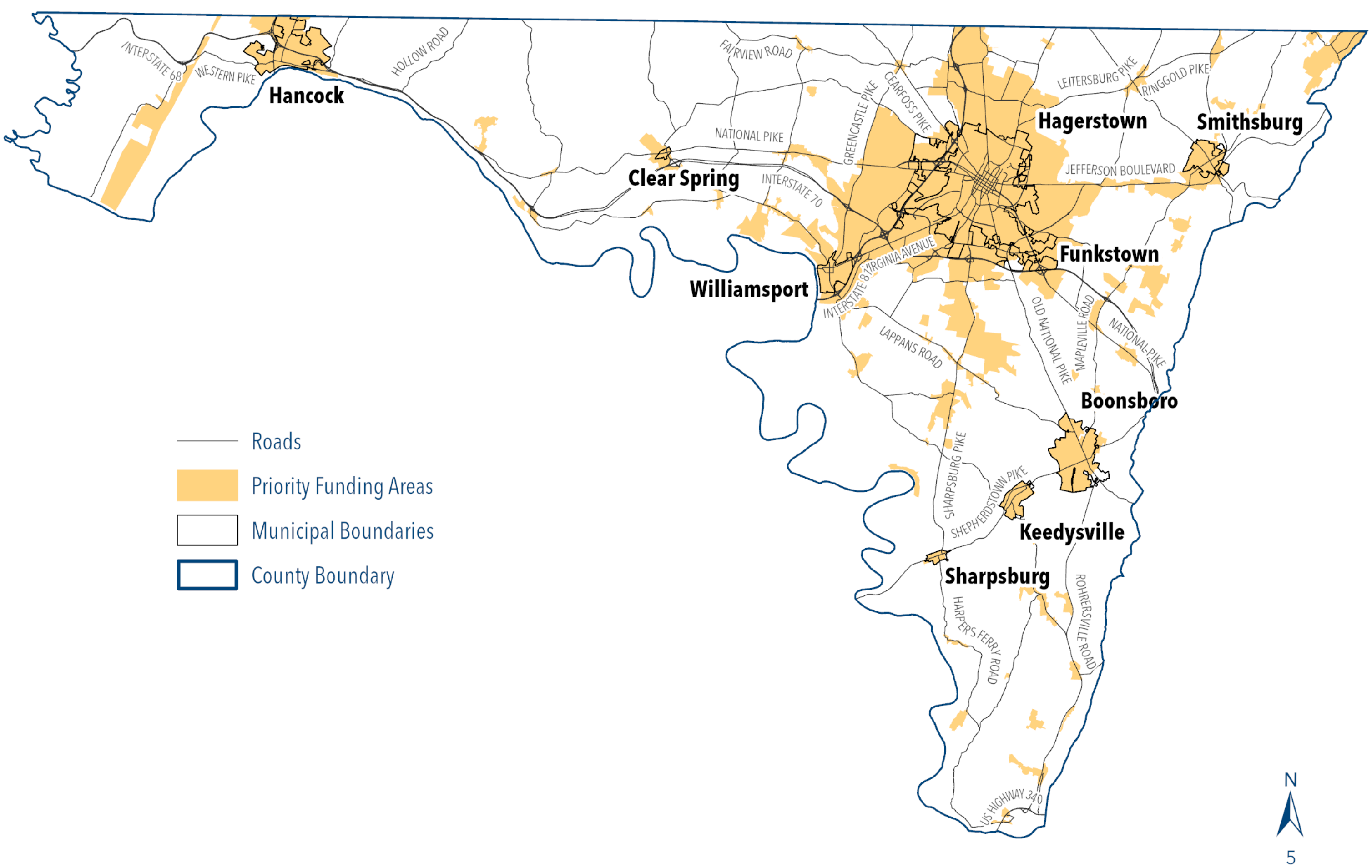
While the County pursued these needed growth management strategies as directed by its adopted 2002 Comprehensive Plan, the housing boom was abruptly halted due to an economic recession that affected the global economy. As a result, new housing supply and demand both declined, as mortgage lending was tightened and profits for large scale residential housing were less certain than in previous years. Further uncertainty was brought to the housing market as a result of the COVID-19 Pandemic, which continues to affect numerous aspects of the housing market. The unforeseen circumstances of these combined events contributed strongly to the overall decline in residential land development and permit activity during the last 20 years.

Land Development Patterns

In addition to the type of housing being constructed, the location plays a significant role in efficient patterns of land use. Washington County has long practiced a strategy of utilizing a variety of regulatory tools to direct the bulk of development to planned growth centers and away from rural areas. This is done to avoid conflicts from incompatible land uses, maximize the efficient allocation of public infrastructure and services, and to protect sensitive natural resources. This approach aligns well with Maryland's Smart Growth approach to growth management, which seeks to accomplish similar objectives statewide.

To encourage and measure whether overarching Smart Growth objectives were being met, tools such as Priority Funding Areas (PFA) were developed. Priority Funding Areas, also defined in Chapter 2, are existing communities and places designated by local governments that indicate where they want State investment to support future growth. These areas often overlap with locally designated Growth Areas. Their ability to capture the bulk of residential and non-residential development is a key indicator of the overall effectiveness of local land use planning and regulation. Development inside and outside of PFAs is therefore a primary metric in annual reporting to the Maryland Department of Planning (MDP). The County's Priority Funding Areas are displayed on Map 6-2, below.

Map 6-2: Washington County Priority Funding Areas



Priority Funding Areas - County Data

In the section that follows, County and State levels of development occurring inside and outside of PFAs is presented through a series of charts and tables. They are used to analyze the effectiveness of existing regulations in promoting desired land development patterns in Washington County.

Looking first at County level PFA data pulled from Accela Automation, Table 6-5 includes all subdivisions and new residential permits approved between August 8, 1994 (when modern development tracking began in the County) and December 31, 2019. This data does not include those collected by Washington County on behalf of the incorporated towns within its jurisdictions, as nearly all the acreage within the towns falls inside of a designated PFA. As noted in previous sections of this document, PFAs were not adopted into law until 1997 so some of the very early data has been extrapolated to be included in the subsequently defined areas.

The final column in the table refers to Comment Areas. Comment Areas are places where PFA boundaries designated by the local jurisdiction are disputed by MDP because they may not have met all criteria necessary to qualify as being part of the PFA. Most but not all Comment Areas have been subsequently resolved and PFA boundary lines have been largely agreed upon since 2012.

Table 6-5: Permits and Development Plans Inside and Outside of PFAs (1994-2019)

		Inside PFA		Outside of PFA		Comment Areas	
	Total	Number	Percent	Number	Percent	Number	Percent
Subdivisions	2,147	605	28.2%	1,541	71.8%	7	0.3%
Residential Permits	21,110	11,349	53.8%	9,760	46.2%	94	0.4%

Source: Accela Automation

Since 1994, 28.2% of all subdivisions in the County occurred inside a PFA, while 72% occurred outside a PFA. A number of factors help explain this seemingly negative development trend. First, there is far more land available to further subdivide outside a PFA in comparison to that which remains inside a PFA. In addition, development outside of a PFA consists of fewer new subdivision lots than those within a PFA. Therefore, while the number of subdivisions may be high outside of PFAs, the number of new lots is typically lower than those created inside a PFA.

Second, regulatory changes at the State and local level to limit development outside of PFAs occurred during the survey period, not before. The State "Septic Bill" and County comprehensive rezonings, for example, only took effect within the last 10 to 15 years. Therefore, the impacts to development patterns as a result of these regulatory changes are still playing out presently. Indeed, recent Annual Reports submitted to MDP demonstrate that from 2016-2021, the share of residential growth inside a PFA has been between 74% to 94%. So, it appears that over time, these regulatory changes have had (and should continue to have) the intended effect of directing development into designated growth areas and PFAs.

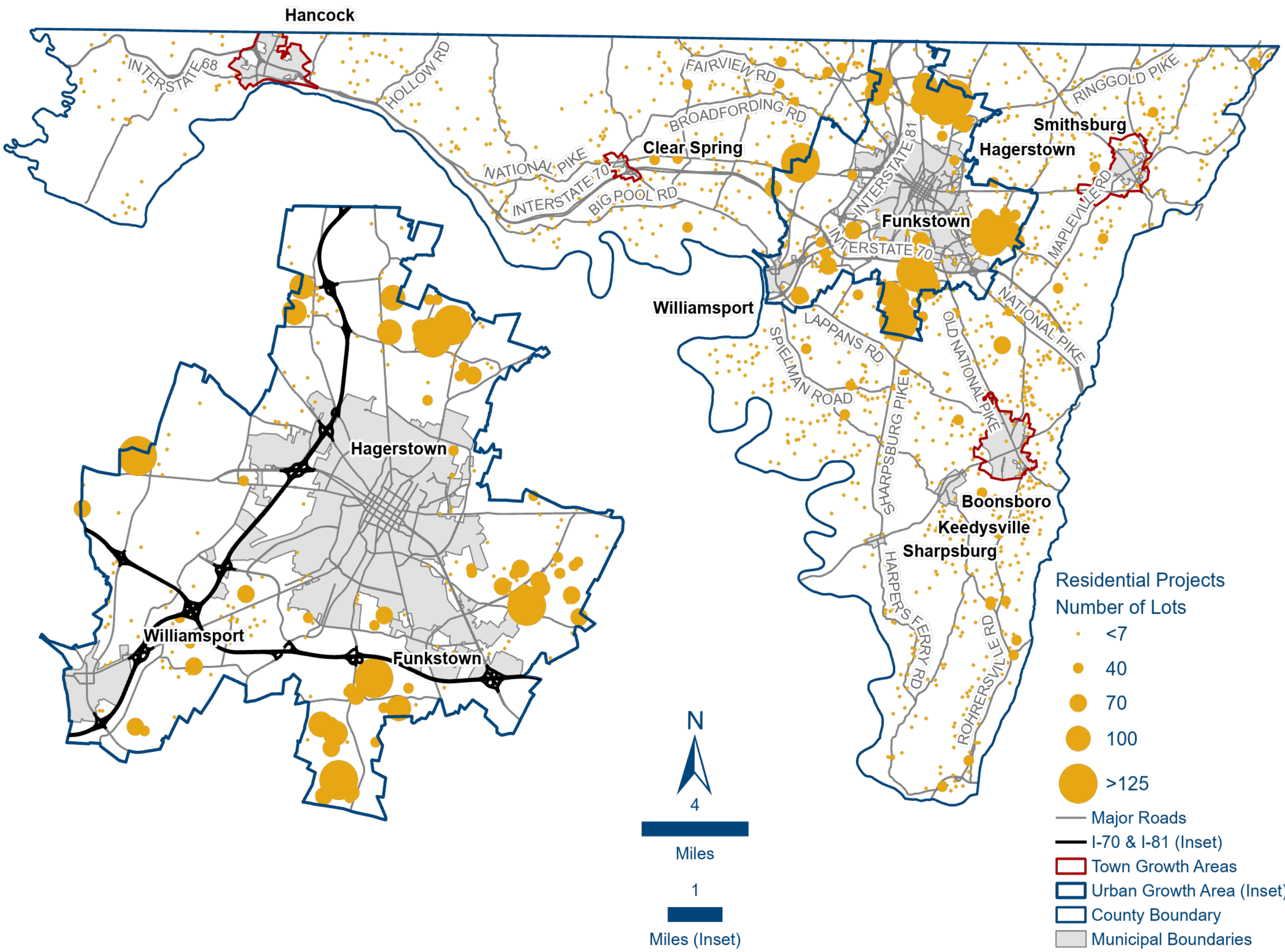
Since 1994, 53.8% of all new residential permits have been associated with developments inside a PFA, while 46.5% were for projects outside of a PFA. Besides the factors previously cited above, the higher percentage of permits occurring inside of PFA's in comparison to subdivisions may also simply be due to the ability of development to access existing public infrastructure needed to support residential growth more readily in the more developed areas. This infrastructure is not present to nearly the same extent outside of PFAs, thereby limiting potential development in rural areas. The intentional limitation of extending public infrastructure and services to such areas is a direct result of local land use policies.

County Development Tracker

County GIS staff have developed additional mapping resources that enable us to more clearly visualize the growth of residential development in the County since 1994. The Planning and Zoning Department hosts and updates a Development Tracker webmap and Storymap on the County's central website. These public facing tools utilize subdivision data collected within Accela Automation to provide an interactive look at where both residential and commercial activity is taking place.

Map 6-3 on the following page, depicts total residential development (approved and under review) from 1994-2023. Non-residential development has been excluded from the map due to this chapter's focus on housing. The map shows the majority of major subdivisions (greater than 7 lots) have occurred in the designated Urban Growth Area of Washington County, which surrounds the incorporated municipalities of Hagerstown, Williamsport and Funkstown. The largest dots represent subdivisions of 125 lots or greater, while the smallest gold dots represent minor subdivisions of less than seven lots.

Map 6-3: Washington County Residential Development 1994-2023



Source: Accela Automation

The map shows that the most intense residential development is primarily occurring in locations such as:

- Near the intersection of I-70 & I-81 between Halfway and Williamsport;
- Along Sharpsburg Pike immediately south of the I-81 interchange;
- Bordering Robinwood Drive in the vicinity of Hagerstown Community College and Meritus Medical Center;
- In the immediate vicinity of Longmeadow Road and Maugans Avenue near the I-81 interchange or near the intersection of these two roads and other major local collector roads such as Pennsylvania Avenue, Marsh Pike and Leitersburg Pike.

As most of these large residential developments sit in proximity to employment centers or major transportation facilities, this pattern of residential development appears positioned to positively catalyze concentrated economic development in the Urban Growth Area over time.

Priority Funding Areas - Maryland Department of Planning Data

Additional data collected by MDP offer other ways to look at the amount of residential development inside and outside of Washington County's PFAs over an even longer time horizon. PFAs were not formalized as a concept in Maryland until legislation was passed in 1997. However, MDP has overlain the PFA boundaries established by each jurisdiction onto past recorded development, to establish trends in how much land has been improved for residential development inside and outside of PFA boundaries between 1940-2012. These measures include the number and acreage (total and average per parcel) of improved single-family residential parcels inside and outside Washington County's PFAs.

As previously detailed, County land use regulations have changed to a significant degree since 2012. Comprehensive Rezonings of the Rural, Urban and Town Growth Areas took place in 2005, 2012, and 2015, respectively. Therefore, local land use regulations pushing residential development more forcefully to planned growth areas would not be fully captured by the 2012 end date of MDP's data. However, the charts that follow do show the cumulative effects of modern land use regulation to direct growth, to desired locations

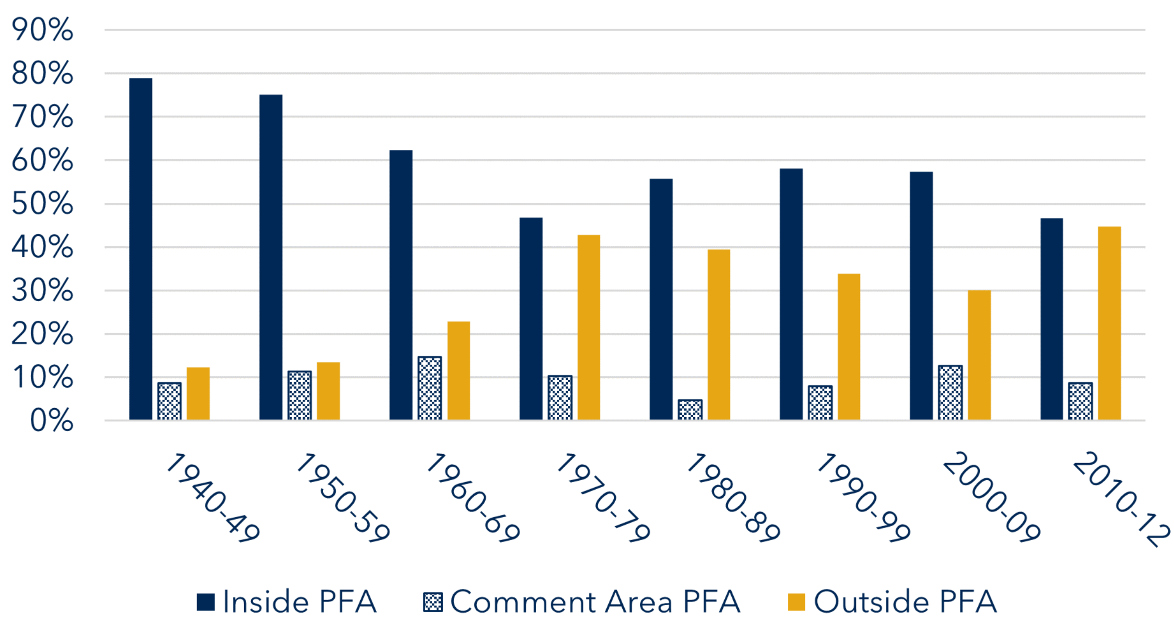

Emerald Pointe, Hagerstown

Percentage of Single-Family Residential Parcels Developed In/Out of PFAs

Chart 6-6, below, shows the total percentage of single-family residential (SFR) parcels developed inside and outside of Washington County's PFAs, by decade, between 1940 and 2012. As one might expect, the highest percentage of SFR parcel development inside of modern PFA boundaries was reached between 1940 to 1959 at 75% to 78%. At this time, advances in transportation and road building technology had not yet enabled the widespread disbursement of residential development across the entire County. As a result, most building occurred in existing urbanized communities and not in the rural area.

Conversely, the percentage of SFR parcel development inside a County PFA dipped to its lowest level between 1970 and 1979. By that time, interstate highway systems had been completed through Washington County and automobile ownership was widespread, enabling the rise of longer distance commuting to job centers.

Chart 6-6: SF Residential Parcels



For the most part, the percentage split between SFR parcels developed inside and outside of a PFA in Washington County has stabilized during the last 30 years of the period surveyed. The County reached an equilibrium at roughly 55% to 58% inside and 30% to 39% outside, according to the chart above.

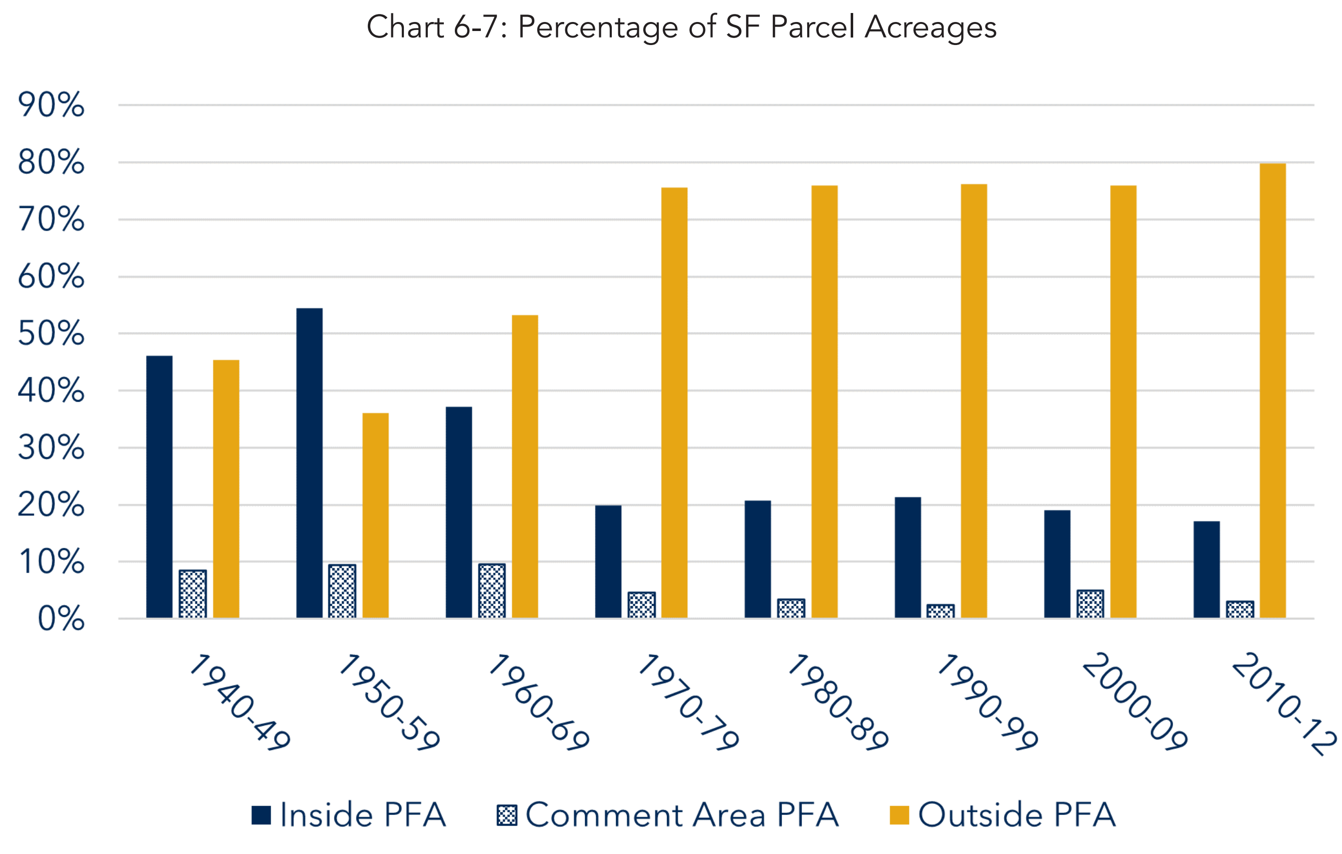
In total, between 1940 and 2012, 60.3 % of all SFR parcels in the County were developed in a PFA, 29.3% outside, and 10.4% in Comment Areas according to MDP. Statewide patterns for SFR development inside of PFAs was approximately 10% higher, per decade, in Maryland overall versus in Washington County between 1940 and 2012.[1]

1 Source: Maryland Department of Planning. Percent of Improved Single Family Residential Parcels in Maryland Outside of PDAs, by Decade

Percent of Single-Family Residential Acreage Developed In/Out of PFAs

Chart 6-7, below, shows the percent of acreage developed inside and outside of the PFAs in Washington County between 1940 to 2012. This chart demonstrates that after 1960 to 1969, the vast majority of SFR acreage development occurred outside of a PFA. As the County's population continued to grow in the post-war period, available land in the urbanized portions of the County started to become scarce. As a result, developers began looking to the County's ample rural lands to meet demand. Paired with the advancements in transportation a trend was firmly established that resulted in approximately 75% to 80% of parcel acreage being developed outside of a PFA in the last 40 years.

In total, between 1940 and 2012, 25.5% of all SFR acres in the County were developed in a PFA, 69.5% outside, and 5% in Comment Areas.[1] The statewide cumulative percent of SFR acres outside of PFAs displayed very similar trends to those noted in Washington County in the chart above and stood at approximately 74% in 2012, according to MDP.[2]



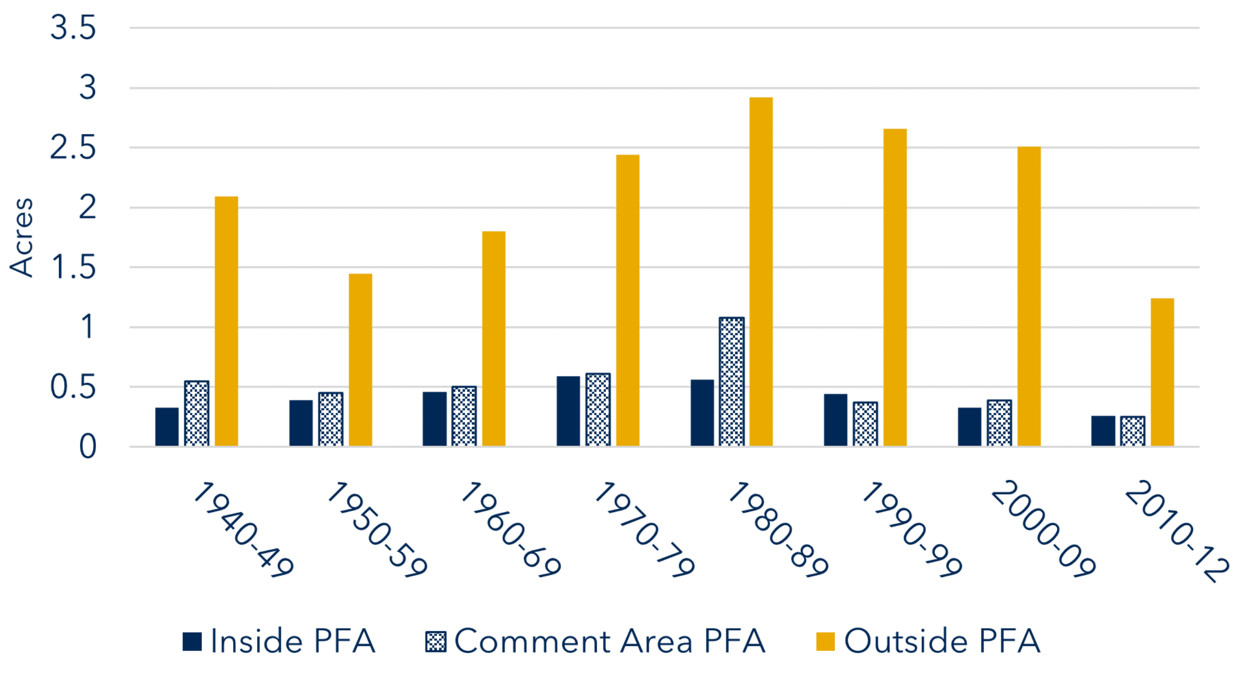
1 Source: Maryland Department of Planning. Improved Residential Single-Family Parcels 20 Acres or less in size, CY1940-CY2012

2 Source: Maryland Department of Planning. Percent of Improved Single Family Residential Acres in Maryland Outside of PFAs, by Decade

Average Acres Per Parcel of Single-Family Residential Developed In/Out of PFAs

Chart 6-8, below, displays the trend in average acres per parcel for SFR development inside and outside Washington County's PFAs between 1940 and 2012. Average SFR parcel acreage inside a PFA peaked between 1970 and 1979 at almost .6 acres, while the highest average acreage outside the PFA was reached during the 1980s at 2.92 acres. Average SFR acres developed inside and outside of the PFA have both declined continually since the 1980s as much of the available land with development potential has already been subdivided to the extent permitted by current State and local land use regulations.

Chart 6-8: Average Acreage Per Parcel



Overall PFA Conclusions

The County's relatively low population density and low cost of living, in comparison to the more heavily developed portions of Maryland, likely had a strong influence throughout much of the 20th Century in encouraging less concentrated development. These factors, in combination with transportation improvements cited above, made the settlement of rural lands highly attractive in Washington County to a degree which likely exceeded Maryland's more settled regions to the east, where undeveloped land was in more limited supply and therefore more expensive to obtain and develop. Only in the aftermath of growth management measures at the State and local levels was this trend beginning to reverse course by the end of the last century. Recent data reported to MDP suggests the County has begun transitioning to a more consistently concentrated development pattern in the 21st Century.

Regulatory Mechanisms

To achieve desired land use patterns, Washington County utilizes a variety of regulatory tools. The most impactful of these regulatory and enforcement mechanisms are briefly discussed below.

ZONING

Zoning is the primary regulatory device which affects the amount, location, character and density of buildable land available for development. Aside from the effects of recent Comprehensive Rezoning of the County's Urban, Rural and Town Growth Areas on permitted densities in various zoning districts, existing language within the Zoning Ordinance positively supports affordable housing in other ways such as:

- Individual zoning districts enable increased numbers of buildable lots or variations in minimum lot sizes when certain criteria are met. For example, the Historic Preservation District Overlay allows approved properties to create two additional lots in addition to the lot surrounding the historic structure.

- Minimum lot sizes are reduced for properties connecting to public water and sewer systems in all applicable districts, as the absence of an on-site septic system allows for increased building density.

- Mixed use development is permitted in the Rural Village, Special Economic Development and Mixed-Use Zoning Districts.

- The conversion of a building, existing at the time of the Zoning Ordinance's enactment to accommodate two or more families, is permitted in many residential districts.

- Clustering provisions in many rural and residential districts enable greater amounts of land to be devoted to open space and recreation areas that improve the overall quality of life in many residential developments.

SHORT-TERM RENTALS

Short term rentals are an increasingly visible issue in land use planning, as they present a double-edged sword for local jurisdictions grappling with their increasing popularity. From an economic development perspective, they can function as an alternative income source for property owners who wish to rent out property in areas that may be attractive to tourists. The popularity of home or property sharing platforms such as Airbnb, VRBO and Hipcamp testify to the market demand for alternative lodging facilities for tourists in the 21st century.

In housing markets where demand outstrips supply, the conversion of an excess number of rental properties from long-term leases to short-term rentals can have significant effects on local housing affordability. For this reason, short-term rentals are often given different zoning than accessory dwelling units, which are intended to function as affordable housing units for the local population.

In a market such as Washington County, where housing costs are less expensive than many other parts of Maryland, there is presently less concern over the threat posed by the conversion of housing to short-term rentals. However, a location that includes a number of nationally recognized tourist attractions, such as Antietam National Battlefield, The Appalachian Trail and the C & O Canal National Historic Park, could see short-term rental conversion in gateway communities such as Sharpsburg, Williamsport and other small communities. Recent trends in housing costs cited earlier in this chapter also threaten the affordability historically enjoyed by many County residents. Accordingly, Washington County amended several sections of its Zoning Ordinance in 2021 to regulate this type of residential land use. A definition was created for a "Short-Term Residential Rental" which, among other provisions, limits rentals to no more than a 30-day period per client/reservation, requires 1 parking space per bedroom, and limits onsite signage that can be posted identifying the property. They do not require the submission of a site plan.

In rural zoning districts, short-term rentals are permitted as a principal permitted use in the Agricultural (Rural), Environmental Conservation and Preservation Zoning Districts. A special exception is required in Rural Village zoning districts, which encompass some of the towns referenced above.

In urban zoning districts, short-term rentals are permitted as a principal permitted use in the Business, Local; Business, General; and Special Economic Development Districts. They are a special exception in the Residential, Multi-Family; Residential, Suburban; Residential, Transition and Residential, Urban Zoning Districts.

WATER AND SEWERAGE PLAN

The implementation of the Water and Sewerage Plan is one of the most direct methods by which public policies shape the character of development in Washington County. The plan sets policies, which are consistent with the County's Comprehensive Plan as well as State and Federal regulations. It delineates existing, planned and programmed service areas for water and sewerage facilities throughout the County for a 20-year time frame. In addition to advancing policies that protect citizens from health and safety issues that can result from inadequate water and sewer facilities, one of the Plan's stated objectives is "to encourage and guide residential growth to those areas which are served or planned to be served with community water and sewerage systems, to provide opportunities for new and adequate housing at reasonable costs for the citizens of Washington County."

The Water and Sewerage Plan focuses on encouraging growth within the Urban and Town Growth areas with public facilities, maintaining the existing footprint and limited growth within Rural Villages, and correcting problematic individual systems in Rural Areas of the County.

ADEQUATE PUBLIC FACILITIES ORDINANCE

Washington County's Adequate Public Facilities Ordinance (APFO) ensures that there is adequate infrastructure to serve new development. The APFO requires that new development mitigate impacts upon existing infrastructure concurrently when the impact occurs. The APFO's concurrency requirement applies to impacts upon roads, schools, water and sewer systems, and in some areas, fire protection systems.

These requirements serve not only to mitigate the overall impacts of development on public infrastructure, but also to serve as a regulatory hurdle that influences the location, timing and scale of development. In the case of school capacity, when the effect of a proposed residential development causes existing school enrollment in the affected district to exceed the State Rated Capacity (SRC), the developer must work through mitigation options in order to gain final plan approvals. In cases where the proposed residential development causes affected schools to exceed 120% of SRC, the potential exists for a development moratorium on major residential subdivisions until such time as sufficient school capacity can be achieved.

CODE ENFORCEMENT AND BUILDING INSPECTIONS

The Washington County Division of Permits and Inspections and the Hagerstown Department of Code Enforcement and Building Inspections conduct inspections for building conditions, code violations and other unsafe structural conditions to protect the health and safety of the community.

HISTORIC PRESERVATION PROGRAMS

An extensive discussion of Federal, State and local policies, programs and regulations aimed at protecting historic structures in Washington County, including those used for housing, can be found in the Historic Resources Element of the Comprehensive Plan..

Housing Needs and Projections

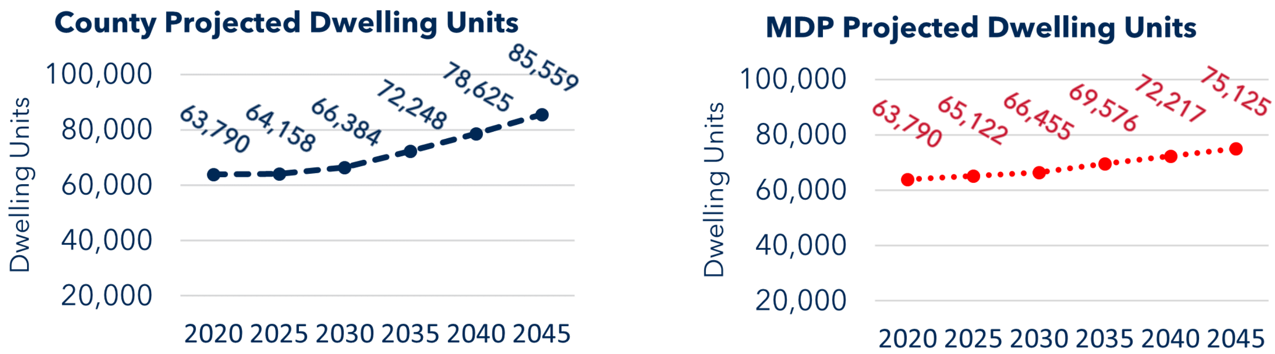
To define future housing demand in Washington County, dwelling unit projections are presented below.

Dwelling Unit Projections

The anticipated number of dwelling units that will be needed by 2045 in Washington County is projected in Charts 6-9 and 6-10 below. Both the Maryland Department of Planning (MDP) and Washington County's Department of Planning and Zoning project population and housing data to at least 2045. The projected number of dwelling units is then arrived at by dividing the projected population figures (less group quarter projections) by the average household size (2.5 persons as of the 2020 Census as noted in Chapter 4) and by factoring in current and historic vacancy rates. In addition to data collected by MDP and the U.S. Census Bureau, County projections also consider historical trends in population growth and housing trends between 1940 and 2020 to arrive at its internal figures for these measures.

Charts 6-9 and 6-10 (following page) utilize County and MDP population projections to arrive at the projected number of dwelling units. Using 2020 MDP population projection data to calculate dwelling units, it's anticipated that a 17.8% increase in the projected number of dwelling units will be added in Washington County during the 25-year period from 2020 to 2045 to a projected total of 75,125 dwelling units. This works out to roughly a 0.7% increase in the number of new dwelling units that will be needed annually to keep pace with projected population growth.

Charts 6-9 and 6-10: County and MDP Projected Dwelling Units 2020-2045



County projections for dwelling units also extend to 2045 and are notably higher than MDPs as observed in comparing Charts 6-9 and 6-10, above. By 2045, the County is projecting that there will be 85,559 dwelling units. MDP, by comparison, projects only 75,125 dwelling units by 2045, which is 13.9% below the County's 2045 projection.

These discrepancies between State and local projections can be explained by the County's assumption, drawing from historic data, that its population will only grow by a rate of 0.71% between 2020-2030, which is approximately two-thirds of its historic annual growth rate. Washington County projects that the normal average an annual growth rate of 1.15% will resume after 2030 as it recovers more fully from the effects of the recent Great Recession and the COVID-19 Pandemic. MDP, conversely, uses a more modest average annual growth rate of 0.83% over the entire period, giving greater weight to more recent data tracking natality, mortality and domestic migration rates.

To provide context, prior to the recession in 2008, the County's 1.15% growth figure was largely consistent during the 70-year period between 1940 and 2010. This led to the conclusion that the dip in the growth rate experienced by the County in 2008 was somewhat of an anomaly, given past trends. Further, while there may be variation in the past factors that contributed to this historic growth rate, such as an increase in international migration to offset declining domestic migration, the mix of data measures described above plus others seems to support continued use of the 1.15% growth rate in the County's projections.

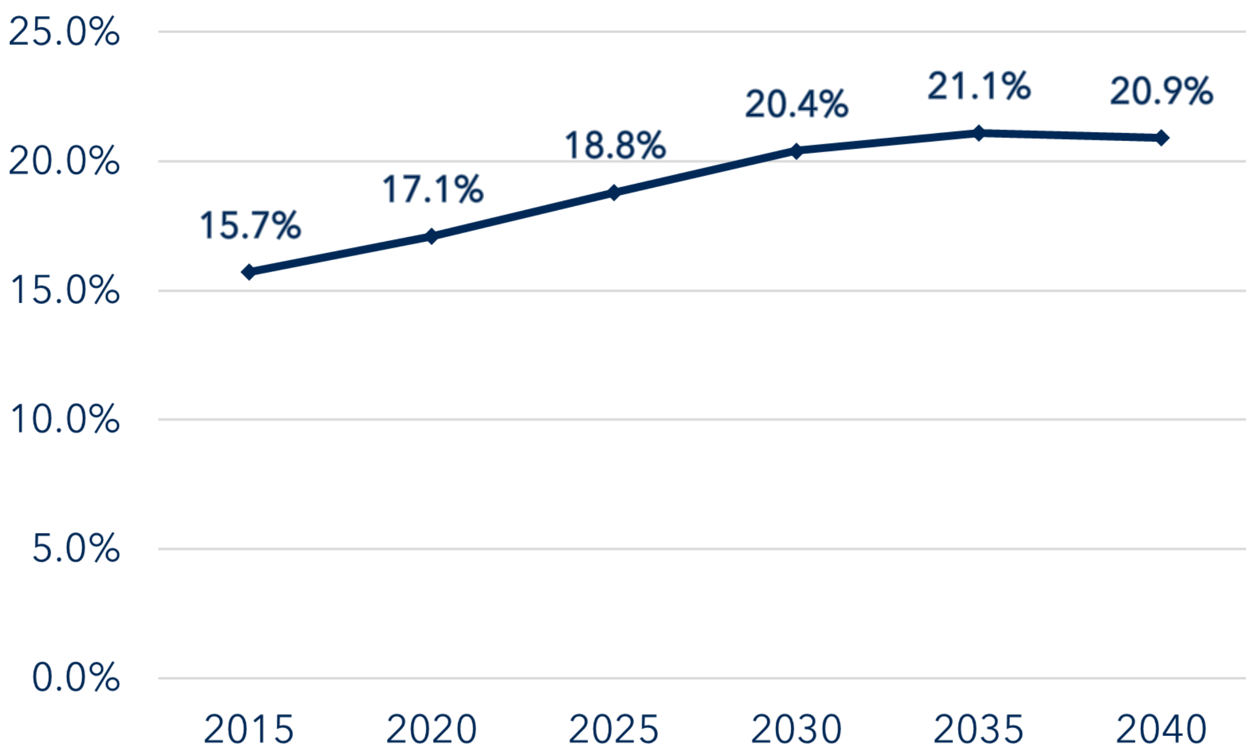
Throughout the projected period between 2020 and 2045, the County has assumed a roughly 5.35% vacancy rate of all available dwelling units. This rate is again based upon historic data that tends to identify the 8.4% vacancy rate from 2010 as an anomaly for Washington County that is unlikely to continue. Therefore, the total number of vacant dwelling units in 2045 is projected to be 4,577.

The dwelling unit projections offered above are a first step in examining future needs for housing in Washington County. This analysis is expanded upon in the Land Use Chapter of this Plan, where potential residential buildout according to what is presently allowed by County Zoning is examined. More specifically, the Development Capacity Analysis included in that chapter gives us a theoretical look at the number of potential dwelling units that could be built on undeveloped or underdeveloped land in each zoning district based on constraints by each district's individual density restrictions. Based upon that Analysis, there is every indication to believe that the County has sufficient capacity to meet its future housing needs. Robust investments in schools, water and wastewater infrastructure will be needed to prevent potential APFO delays in utilizing this capacity, however.

Projected Demographic Changes Influencing Housing Needs

Housing affordability and the potential for additional housing services was also projected by looking at the projected growth of age dependent populations and by examining anticipated changes in the demographic makeup. As shown in Chart 6-11, those aged 65 and older are projected by MDP to exceed 20% of the total population of Washington County by 2030. This projection represents a nearly 5% increase in this population group from 2015. This projected growth indicates that the needs of seniors, many of whom will no longer be in the workforce and will require specialized housing and health services, will be an increasingly significant consideration for various decision-making entities in Washington County.

Chart 6-11: Projected Percent Population Over 65



HOUSING RECOMMENDATIONS

★ **Complete A Comprehensive Housing Assessment for The County**

The most recent County-wide analysis of housing needs was prepared by RPR Economic Consultants in 1991 for the Washington County Department of Housing and Community Development. The study evaluates the ability of the private market to address County housing needs between 1990 and 2010 and offers recommendations for the County to assist in ensuring these needs are met. A comprehensive study of housing needs for Washington County, outside of comprehensive plan updates by the City or County, has not been undertaken since this report. The County should work with local housing partners to produce or contract a new comprehensive housing study that expands upon the findings of this Comprehensive Plan update. This will determine whether the type and cost of new housing units being built is meeting the affordability needs of all County residents and offering further policy considerations to address any shortfall. The study should also provide a more detailed look at the adequacy of the County's housing stock to address the Fair Housing implications of HB 90. The needs of people experiencing homelessness and other at-risk populations should be examined as well.

★ **Establish By-Right Development**

"As-of-right" or "by-right" development is a regulatory streamlining approach by which development projects that meet local zoning requirements are administratively approved without the need for a public hearing or local legislative action. This method shortens the review process prior to approval, thus reducing development costs that are often passed on at the end to the consumer. Washington County does not require approval by its Planning Commission or Board of County Commissioners for most development projects. However, greater regulatory streamlining for those projects that currently do require these approvals is worth investigating, particularly for projects within PFA's or planned growth areas.

One existing example in the County of regulatory streamlining is its Express Procedure. The Express Procedure offers relief from some of the requirements of the County's Forest Conservation Ordinance to development projects that meet specific criteria. The Procedure allows simultaneous submission and review of the forest stand delineation and forest conservation plan, in addition to automatic eligibility to select the payment in lieu of planting fee without Planning Commission approval. Projects subdividing seven lots or less, and those where no subdivision is proposed, with a planting requirement of two acres or less and no disturbance of priority areas are eligible to undertake this streamlined route without prior departmental approval. The County recognized such small planting requirements do little to address forest conservation and water quality goals on-site, and therefore could achieve more in concert with other off-site plantings. Therefore, the strategy offers benefits to both the County and developers.

★ **Streamline or Shorten Permitting Processes and Timelines**

Expanding on the "by-right" approach noted above, the use of expedited review and permitting for affordable, infill and sustainable building projects is being pursued by many communities around the country. New technologies can be employed in service of shortening the project review and adding certainty to development fees and timelines that can significantly reduce end costs. Streamlining approaches can also help serve many other planning objectives such as historic preservation, transit-oriented development or energy efficient building design.

★ **Create Mixed-Income Communities Through Flexible Land Use Regulations**

Through zoning and other land use policies, enable the creation of diverse housing types within individual development projects and planned communities to encourage the mixing of income levels and social classes to promote overall community cohesion. New Federal housing projects and many other private housing developments oriented towards affordability have long moved away from building new communities consisting of uniform housing types. This is due to a variety of unintended social consequences resulting from the creation of homogeneous communities.

The Hagerstown Housing Authority (HHA) has implemented two recent projects that have successfully utilized the mixed-income community model to revitalize Hagerstown's West End neighborhood. In 2001, Gateway Crossing replaced the 210-unit Westview Homes Public Housing Project with 352 new homes on an expanded site area. The site design wove together the new rental and homeownership components and integrated the new housing development into the surrounding neighborhood of single-family homes. Urban design elements such as landscaping, street lighting, and sidewalks serve to provide a pedestrian-friendly environment and connect the development to a brand new 20,000 square foot Elgin Station Community Center.

Using Gateway Crossing as a model, the McCleary Hill Development created another new mixed income community on a newly acquired site in 2019. The community is a mix of single-family, duplex and townhomes with a community center and other amenities. In tandem with this project, the existing Noland Village community in southwest Hagerstown will have reduced density and be redeveloped as a mixed income community, by transferring 140 public housing units to McCleary Hill. These developments have successfully met the HUD's Affirmatively Furthering Fair Housing rule and Maryland's HB 90. Presently, although all urban zoning districts in the County allow at least two-family dwellings, the creation of such communities are only truly possible with the establishment of a new Mixed Use Zoning District. The creation of a new Mixed Use Zoning District requires a full rezoning of the property - a process that is lengthy, costly and does not come with a guarantee that it will be approved.

The County's Zoning Ordinance currently promotes a fairly strict separation of permitted residential densities and land uses which tends to result in development patterns that are less efficient than they could be if greater flexibility was permitted. In particular, the County should investigate locations where greater mixing of residential densities could be achieved, such as in urban zoning districts that fall within designated Urban and Town Growth Areas. Public infrastructure and services in such areas are typically either already sufficient or can be upgraded or extended at a manageable cost to handle the increased demand. The end result would likely be a significant step towards providing broader access to quality affordable housing that acts as a steppingstone to upward social mobility for individuals and families.

★ **Create Greater Opportunities for Mixed-Use in Targeted Areas**
In addition to promoting communities that mix residential densities through varied unit types, the County should also investigate opportunities to allow more mixed-use developments which combine multiple land use types in a single structure or location. Mixed-use developments, where residential and commercial uses occupy different portions of the same building or are located on the same development site, foster more compact and sustainable land use and lifestyle patterns, particularly when reinforced by intermodal transportation improvements.

Rural Village Zoning Districts offer an existing example where there are opportunities to pursue mixed uses on a parcel within a structure. Within specified limitations and development regulations, zoning in these districts allow for properties to combine residential and non-residential uses. Due to historic patterns of settlement in these communities, this development type may be more likely to fit within the historic context of the built environment than single-purpose buildings.

Zoning districts in the designated Urban and Town Growth Areas, where there is already infrastructure to serve intensive land uses, should also be targeted for the creation of such developments. Specifically, mixed use developments should be encouraged along major transportation routes where a high amount of rezoning activity has already resulted in blended patterns of residential and commercial development. Stretches of Virginia Avenue between Hagerstown and Williamsport or Robinwood Drive near Hagerstown Community College already exhibit these characteristics. In such areas, the market has already shown a tendency towards a transition in land use that could be harnessed to promote desired development patterns. In more stable communities along such routes, encouraging land use transitions may be less appropriate. Both residential and commercial zoning districts in targeted growth areas should be considered for mixed use development.

★ **Promote Compact Land Use Patterns Through Infill and Redevelopment**
Through the streamlined review and permitting process mentioned above, the County should encourage infill and redevelopment projects that promote compact patterns of land use. In addition to offering the advantage of access to existing infrastructure and services, infill and redevelopment projects slow the expansion of an area's overall developed footprint into greenfield lands on the urban periphery where growth may be less desired. Streamlining review and permitting processes inside designated growth areas and in Priority Funding Areas would encourage new development of all types, including residential projects, to look first at available lands in these areas before breaking new ground where infrastructure and services must be extended at significant cost to the project and community.

★ **Reduce Or Eliminate Off-Street Parking Requirements**
Off-street parking requirements in many places are often outdated standards that result in the waste of developable, fragmenting built environment connectivity, and reinforcing automobile dependency. These requirements may make more sense in the less developed portions of the County where personal transportation is the only viable option for accessing goods and services. In existing communities however, which are served by transit, or can

be navigated by walking or bicycling, reducing or eliminating parking requirements yields a multitude of benefits. Parking reductions promote more efficient site designs. They also assign the costs of parking to those residents or businesses that need it, promoting a sense of equity. Many communities have specifically pursued policies such as reducing or eliminating parking requirements near transit stops and for affordable housing within reach of public transportation.

★ **Allow Accessory Dwelling Units**

Due to many factors such as the recent recessions, the high costs incurred in obtaining a college education and the rising cost of living in relation to wage growth, many families are finding themselves caring for children and seniors under the same roof at the same time. Accessory dwelling units offer one solution to this issue, particularly areas zoned primarily for single-family housing where density could be increased without changing fundamental neighborhood character. Article 4.10 of the Washington County Zoning Ordinance presently prohibits the use of accessory structures as living quarters. If authorized by zoning, building code standards for accessory dwelling units could be updated to ensure that such units met essential health and safety standards.

★ **Establish Density Bonuses**

Density bonuses incentivize the creation of affordable housing. They grant the developers the ability to construct a greater number of market rate units than would typically be allowed, while guaranteeing a certain percentage of the overall development is devoted to affordable housing units. Typically, the standard applies to larger housing developments where significant affordable housing units can be gained in the process.

★ **Enact High-Density Multi-Family Zoning**

Washington County's Zoning Ordinance does presently contain a Residential Multifamily zoning district which permits a maximum of 12 dwelling units per acre. The reduction of off-street parking requirements within such districts, particularly if long-range transportation planning encourages transit investments or transit-oriented development near multi-family residential unit clusters, offers a potential path to strengthen the impact of this zoning district.

★ **Employ Inclusionary Zoning**

Inclusionary zoning requires or encourages the inclusion of affordable units in new residential development projects. Such policies expand the amount of affordable housing available through a method that helps lessen public opposition while simultaneously providing better educational outcomes for low-income children who then have access to better schools.

★ **Use Property Tax Abatements**

The City of Philadelphia offers real estate tax abatement for up to 30 months during the construction of affordable housing. The abatement of taxes at this phase allows residential development in various price ranges to become more affordable and provides more financial stability to the developers by diminishing upfront costs Changes to the County's APFO and Excise Tax structure offer another avenue by which housing could be made more affordable if amendments are made to current regulations.

★ **Incentivize Energy Efficient Improvements to New and Existing Housing Stock**

Housing affordability is often viewed solely from the standpoint of initial costs to the producer and consumer without fully considering whether that cost-effectiveness can be retained in the long-term. The energy efficiency of housing is one such measure by which affordability is put to the test. In addition to promoting land use regulations that improve the locational efficiency of housing, the efficiency of the structure itself should be maximized throughout its lifespan.

For existing housing, this can be achieved through incentivizing home repairs and improvements that increase energy efficiency. A number of state and local housing support providers (detailed in the Appendix) already offer such enticements to local homeowners. There may be additional opportunities to expand such that could extend the affordability benefits more broadly across the housing market.

For new housing, there are now numerous programs which provide guidance and/or certification for incorporating green building features into new development. LEED certification is the most well-known of these programs. It enhances livability by addressing a wide range of environmental concerns through building and site design measures such as air quality, water quality, human health, and energy efficiency. Green building practices promote the adoption of renewable energy and water conservation, reduce stormwater runoff, discourage the use of toxic materials and reduce waste streams that result from building and habitation. The reuse of materials and incorporation of rehabilitated structures already existing onsite may also benefit additional planning objectives such as historic preservation and adaptive reuse. More broadly applied sustainable building practices that account for neighborhood and community design, and which tie into intermodal transportation and community facility investments, extend the reach of these efforts beyond individual developments to substantial public benefits.

Whether through grants, tax incentives, changes to the building code or through other regulatory tools, the County should investigate ways to extend the lifespan of new and existing construction to promote affordability that withstands the test of time.

★ **Create High Quality Communities Through Improved Urban Design and Development Standards**

In addition to densification and providing greater flexibility in zoning to mix different types of land uses and housing types, the County should revisit design and development standards within various regulatory documents to enhance livability in neighborhoods and communities. Utilize placemaking and other urban design principles that incorporate integrated community facilities, transportation choices, public spaces, activity centers, and more to holistically address community quality.