National League of Cities
Gaithersburg, MD
September 6, 2019

Housing and Community Development
## Profile of our residents (ACS 2013-2017)

<table>
<thead>
<tr>
<th></th>
<th>Gaithersburg</th>
<th>Montgomery County</th>
<th>Maryland</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Population</strong></td>
<td>67,417</td>
<td>1,039,198</td>
<td>5,996,079</td>
</tr>
<tr>
<td><strong>White/non-Hispanic</strong></td>
<td>35.0%</td>
<td>45.0%</td>
<td>51.9%</td>
</tr>
<tr>
<td><strong>Foreign Born</strong></td>
<td>39.0%</td>
<td>32.6%</td>
<td>22.6%</td>
</tr>
<tr>
<td><strong># of Households</strong></td>
<td>24,377</td>
<td>369,242</td>
<td>2,170,034</td>
</tr>
<tr>
<td><strong>Median HH Income</strong></td>
<td>$85,773</td>
<td>$103,178</td>
<td>$78,916</td>
</tr>
<tr>
<td><strong>Owner-occupied</strong></td>
<td>52.2%</td>
<td>65.6%</td>
<td>66.8%</td>
</tr>
<tr>
<td><strong>Renter-occupied</strong></td>
<td>47.8%</td>
<td>34.4%</td>
<td>33.2%</td>
</tr>
</tbody>
</table>
### Profile of our residents, cont. (ACS 2013-2017)

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</tr>
</thead>
<tbody>
<tr>
<td>Households below poverty</td>
<td>8.4%</td>
<td>6.6%</td>
<td>7.7%</td>
</tr>
<tr>
<td>Vacant Housing Units</td>
<td>4.9%</td>
<td>4.5%</td>
<td>10.1%</td>
</tr>
<tr>
<td>HH with rent &gt;30% of Income</td>
<td>48.8%</td>
<td>51.1%</td>
<td>50.4%</td>
</tr>
<tr>
<td>HH with rent 50% or more of income</td>
<td>25.2%</td>
<td>23.4%</td>
<td>23.5%</td>
</tr>
<tr>
<td>Median Gross Rent</td>
<td>$1,634</td>
<td>$1,693</td>
<td>$1,311</td>
</tr>
<tr>
<td>Median Home Value</td>
<td>$380,300</td>
<td>$467,500</td>
<td>$296,500</td>
</tr>
<tr>
<td>HH with mortgage 50% or more of income</td>
<td>14.4%</td>
<td>10.8%</td>
<td>11.0%</td>
</tr>
</tbody>
</table>
### Census Demographics (2000 and 2010)
**Race and Ethnicity**

<table>
<thead>
<tr>
<th>City of Gaithersburg</th>
<th>Census 2000</th>
<th>Census 2010</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Population</strong></td>
<td>52,613</td>
<td>59,933</td>
</tr>
<tr>
<td>Black or African American</td>
<td>7,680</td>
<td>9,752</td>
</tr>
<tr>
<td>American Indian &amp; Alaska Native</td>
<td>188</td>
<td>272</td>
</tr>
<tr>
<td>Asian</td>
<td>7,241</td>
<td>10,145</td>
</tr>
<tr>
<td>Native Hawaiian &amp; Other Pacific Islander</td>
<td>33</td>
<td>34</td>
</tr>
<tr>
<td>Other / Multiple Races</td>
<td>4,535</td>
<td>9,261</td>
</tr>
<tr>
<td>Hispanic or Latino of any Race</td>
<td>10,398</td>
<td>14,499</td>
</tr>
<tr>
<td>White, not Hispanic</td>
<td>25,818</td>
<td>23,961</td>
</tr>
</tbody>
</table>
Gaithersburg Home Buyer Assistance Loan Program (GHALP)

* Supported by CDBG and City funds
* $3,700,000 in loans outstanding
* $214,850 in repayments
* One foreclosure; one short-sale
* Average of 4 loans per year from 2005 – 2014
* Average of 42 loans per year beginning in 2015
GHALP Program Requirements

• First-time home buyer
• Meet Income restrictions and be credit qualified
• Receive homeownership counseling
• Home inspection, radon and lead test
• Must live or work in the City or ‘priority’ employment
• Home must be within city limits
“I am so proud to be a resident of our city let alone one who has the privilege of leveraging this progressive program. The program has helped many families my colleagues and I work with to achieve the goal of home ownership. I am an absolute evangelist for the program and I firmly believe that speaks volumes about City leaders’ commitment to building a strong foundation of home ownership in our community.” -- Lender
“Homeownership has been on my bucket list for many years... Being a first time homeowner will allow me to have all children, grandchildren and extended family gather together in one place on special occasions. When so many families are separated from one another I am striving to bring my family together under one roof. This is my wish and homeownership will permit me to do this. The opportunity to purchase my first home brings so much joy and excitement to me. Your program is the only way I’ll be able to do so.” --Buyer
Enacted in late 2006

- In any development with 20 or more units, 15 percent must be offered as MPDUs and/or WFHUs
- MPDUs affordable to households at 50 – 80% of AMI
- WFHUs affordable to households up to 120% of AMI
- 30-year control period in ownership units
- Waiver permitted only in case of economic hardship
- “Buyout” allowed if condominium fees make the unit unaffordable to target population
Affordable Rental Units

15 multi-family properties:
- 475 MPDUs
- 108 WFHUs
- 805 other regulated units
## Rental Pricing

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<tr>
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<tbody>
<tr>
<td>Studio</td>
<td>$1,041</td>
<td>$1,166</td>
<td>$1,514 $782</td>
</tr>
<tr>
<td>1 BR</td>
<td>$1,115</td>
<td>$1,335</td>
<td>$1,803 $900</td>
</tr>
<tr>
<td>2 BR</td>
<td>$1,264</td>
<td>$1,695</td>
<td>$2,319 $1,098</td>
</tr>
<tr>
<td>3 BR</td>
<td>$1,413</td>
<td>$1,886</td>
<td>$2,763 $1,118</td>
</tr>
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Gaithersburg Multi-family rental properties (as of 2018)
MPDU and WFHU Purchase Program

- Number of units purchased by individual buyers (2013 – 2019):
  - 45 MPDUs
  - 6 WFHUs

- Example Pricing (recent sales – 3 BR):
  - MPDU townhouse: $162,000 – 238,053
  - MPDU condominium: $225,592
  - WFHU condominium: $250,500
  - WFHU townhome: $306,600
Federal Grants

HUD Awards:
* CDBG (2003 – current)
* CDBG-R (2009)

Other Federal Grants:
* FEMA (2016)
* FTA/SAFETEA-LU (2008 and 2011)
* DOJ (2008 – 2013)
* EDI (2003)
* EECBG (2009)
In 2003, Gaithersburg met the requirements to apply to HUD as an entitlement community.

Following submission of five-year Consolidated Plan:

* Approved for $549,000 CDBG award
* Approved for $550,000 HOPWA award
CDBG – use of funds

* Restoration projects at B&O Train Station
* Kitchen renovations at Seneca Heights Apartments, permanent supportive housing program in Gaithersburg (17 units)
* Renovations to Wells/Robertson House and Gaithersburg Senior Center
* Closing cost and down payment assistance to income qualified first-time homebuyers
* Eviction prevention and housing stabilization funds for households at or below 50% of AMI (public service)
The Wells/Robertson House provides transitional housing for formerly homeless men and women who have been dually diagnosed and receiving alcohol and drug treatment. The program, which allows residency for up to two years, helps residents become self-sufficient, working and functioning members of society.

DeSellum House is the City’s long-term facility for homeless men who have successfully completed the Wells/Robertson House program, but need a structured living environment for longer than the two-year period that Wells can provide.
Homeless Services, cont.

**Wells/Robertson House**
* 14 homeless men and women
* City-donated house
* Initial HUD “McKinney” award in 1989: $128,260
* 41 percent graduation rate

**DeSellum House**
* 4 male graduates of Wells
* City-donated house
* Long-term housing
* Minimum of one year, maximum of three year residency
* No outside financial support
* Tenant rent covers operating costs
Local Affordable Housing Partnerships

Housing Opportunities Commission:
* Forest Oak Towers (174 units, 62+)
* Diamond Square Apartments (124 efficiency units)
* Hillside Apartments: (140 one and two br, 62+)

Montgomery County:
* Seneca Heights Apartments (17 formerly homeless families and 41 single adults)
* 425 and 439 N Frederick Avenue (76 m/f units)
Fair Housing

* Housing and Community Development Act of 1974, as amended, requires that any community receiving Community Development Block Grant Funds (CDBG) funds shall affirmatively further fair housing.
* Title VIII of the Civil Rights Act of 1968 (Fair Housing Act) establishes seven (7) protected classes.
* The State of Maryland provides for additional protections.
* Montgomery County (Chapter 27, Human Rights and Civil Liberties) extends protections to include source of income, gender identity, genetic testing and gender identity.
Housing Initiatives Fund
$3 million

To support increased affordable housing opportunities:

- Supplemental funding in high value areas of the City
- Low-interest loans to multi-family properties that commit to long-term affordability
- Rental assistance to low-income residents 62+
- 0% deferred loans to property owners to age-in-place through accessibility upgrades (coupled with county tax credits)
- Grants to condominium associations seeking FHA approval
- Grants or loans to developers offering greater than 15 percent MPDUs in a residential project
City Manager’s Office
Housing and Community Development Division

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