

Broadstone exodus begins; relocation developing

Zero-interest loans will be provided to help displaced tenants purchase homes

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by Chris Robinson | Staff Writer

Jennifer Jones was running on empty while navigating the array of boxes, furniture and other things in varying states of readiness at her Gaithersburg apartment Saturday.

"No sleep for me," Jones, 42, said wearily as she recounted a work-related emergency that kept her at her office until 3 a.m. that morning — moving day.



Aided by her two sons, 20-year-old Garrett and 10-year-old Allen, and a friend, Jones continued unabated through the morning, occasionally pausing to reminisce about her four years in her second-floor Broadstone apartment.

"I love this place," she said, adding how pleasant it was to walk to nearby Bohrer Park at Summit Hall Farm. "I really hate seeing it go."

Broadstone Apartments is expected to be demolished in the coming months to make way for a redevelopment that will bring a mix of upscale housing.

About 150 families have already moved from the complex located at the corner of West Deer Park Road and Route 355; about 200 remain, city officials said.

The City Council last week granted unanimous approval for a plan by developer Fairfield Realty to raze the 41-year-old complex and replace it with 334 apartments, 53 townhouses and 28 two-over-two homes.

All of Broadstone's current tenants must be out by Nov. 15, and construction is slated to begin this winter. Those being displaced are eligible for the city's pilot homeownership assistance

program designed to provide down payment loans to tenants facing relocation so that they can buy a home.

Funding for that program stalled final approval of the city's budget last month, leading to a near shutdown of services as elected officials grappled with a \$250,000 allocation for the program.

Ultimately, the \$50.6 million budget was approved with an additional \$153,000 set aside, bringing the housing assistance fund to total to \$300,000.

During a work session Monday, most council members urged the use of federal Community Development Block Grant monies to fund the program in the future.

The city currently has \$180,000 available from unused grants, said Louise Kauffmann, the city's director of community development.

However, there are federal restrictions on the permitted income levels for people who receive the block grant money for housing. Only those who earn less than 80 percent of the area median income qualify. In the Washington region, the median income is \$94,000 for a family of four.

City officials are discussing the possibility of using the grant money for those residents who qualify while the current program money and that raised through future fees could be used to assist those not eligible for the federal funds.

"We want people to buy houses because that's the best form to put them into a stable world," said Councilman Henry F. Marraffa Jr.

Council members also favored a longer eligibility period for Broadstone tenants — three years instead of one — than that used for the tenants of West Deer Park Apartments, who were displaced last summer.

Under the assistance program, all displaced tenants leaving beginning last week will receive payment equivalent to **three months' rent. They will also be offered zero-interest loans for down payments on home purchases.**

The program could offer \$20,000 to \$15,000 for households at or below 80 percent of the area median, and \$15,000 to \$10,000 for households above 80 percent, with the greater amounts available for homes being purchased in Gaithersburg.

Homeownership education classes for all residents also could be offered through the program.

Moorosi Mokuena, a member of Action in Montgomery, a coalition of county congregations that lobby for affordable housing and that have worked with Broadstone tenants, said he was pleased with the outcome.

"I think it's reasonable with the caveat that the fine print not present, in effect, a financial burden," Mokuena said, referring to the possibility of a repayment of an assistance loan acting like a second mortgage.

A formalized program could be ready for approval by the Aug. 6 council meeting, Kauffmann said.

Also, city law requires all tenants displaced by redevelopment be given first priority for affordable units created as part of the new the project.

The draft relocation plan for Broadstone states that tenants receive two months' payment when the developer is notified the tenant will leave, and the final month after the tenant moves.

The draft agreement also requires the developer provide a relocation specialist, priority and no application fees at other Fairfield properties, and the city will advance the final one and one-half month's rent if needed for moving or other expenses.

Final agreement approval is expected this week.

The dialogue highlights what many have said is a rising lack of affordable housing throughout the county.

As of July 3, there are only 188 one-, two- or three-bedroom housing units for sale at or below \$350,000 in Gaithersburg, and 1,184 such units in Montgomery County, according to city research.

Only about 19 percent of all the 683,399 rental units in Montgomery County is subsidized or a moderately priced dwelling unit, according to 2006 data from the county Housing Opportunities Commission.

Of the 4,000 garden-style apartments in Gaithersburg, 625 currently are either approved for redevelopment or under redevelopment, Kauffmann said.

Gaithersburg's law requiring 15 percent of any redevelopment, including rental, be affordable is one step towards countering that, she said.

The county also recently formed a task force to examine the issue of affordable housing, with a recommendation expected in the fall.

"To say that this is not a critical issue is being terribly naïve," said Barbara Goldberg-Goldman, task force co-chair. "It is one of the biggest issues facing Montgomery County."

For Jones, her new, two-bedroom apartment in Gaithersburg will cost twice the \$719 she paid at Broadstone for her one-bedroom unit, but she's keeping her personal budget tight and options open with the homeownership assistance program.

She complimented AIM for its help in rallying the Broadstone tenants, and said she plans to help them as more redevelopment projects begin that displace other families.

"I'm not just fighting for myself," she said. "I'm fighting for everybody."