

County Expands Housing Powers

Right to Purchase Apartments Grows

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In a move to protect the county's shrinking stock of affordable housing, the Montgomery County Council has expanded the county's authority to buy apartments before they are converted into high-end rentals.

The law, spearheaded by County Executive [Isiah Leggett](#) (D), is one of the first steps in what officials say will be a new effort to deal with the county's affordable housing crisis. Leggett, who took office in December, made the issue a key platform of his campaign.

"I'd like to get the county much more actively involved," Leggett said. "We have to be an active player in this."

A task force appointed by Leggett has been studying how to deal with the problem and is to make recommendations in the fall.

The bill, approved last week, expands the county's right of first refusal for the purchase of apartments that could be turned into more expensive rentals.

When a rental housing complex of four or more units built up to Feb. 5, 1981, is under contract for sale to a developer, three parties -- the county, a tenant organization and the Housing Opportunities Commission, which develops affordable housing and manages public housing -- have the opportunity to match the price and buy the property.

This option has been exercised 12 times since 1981, ensuring that more than 700 units remain affordable, housing officials said.

The new law extends the right of first refusal to the more than 25,000 multifamily rental units built after Feb. 5, 1981 -- about 37 percent of the county's overall stock.

Thomas Cowley, a member of Action in [Montgomery](#), an organization of religious congregations working on housing issues, said it is important to empower the residents of those units. Action in Montgomery supported the new law.

"Tenants, unfortunately, are sometimes left as mere victims, never having the opportunity to compete in the marketplace and not having a contribution [to] what will be done with their housing," Cowley said.

Council members are considering additional measures, such as expanding the right of first refusal to the county's remaining mobile home park in [Germantown](#). Council member Valerie Ervin (D-[Silver](#)

[Spring](#)) said she might introduce legislation to prohibit tenant groups from selling their right of first refusal.

From 2003 to 2005, the county lost 11,591 apartments with rents of \$999 per month or less, according to the National Housing Trust, as complexes were torn down or converted into condominiums.

The county's expanded right of first refusal will be a useful instrument during negotiations with developers who might not otherwise include affordable units in their projects, said Richard Y. Nelson Jr., director of the county Department of Housing and Community Affairs.

Nelson, who co-chairs the affordable housing task force, said the right of first refusal "gives us another whole bunch of properties that we can be influential on."

"There is no single answer" to providing housing, he said. "We really need to have a bag of tools."

Among the other possibilities is building affordable housing on vacant county-owned land. Residences also could be built on top of libraries or fire stations, or incorporated into commercial areas, Nelson said.

"It's looking at all the different possibilities you have," Nelson said. "You're maximizing the use of land."

He emphasized the importance of keeping county-owned sites available for families with a wide range of incomes, such as two proposed developments in [Olney](#) and [Bethesda](#), that would combine workforce and market-rate housing with units affordable for those earning 65 percent of the median income. Workforce housing is defined as being affordable to people who make between 80 and 120 percent of the local median income.

"You don't want to create enclaves of very poor families," Nelson said.

The county has regulations to ensure that large new housing developments include some affordable units, but prospects for large-scale construction are few.

"Because of limited new development, there's an interest on our part to help preserve the existing stock," Nelson said.