



WEEDING OUT GARDEN APARTMENTS; CURRY'S YEAR-OLD POLICY DISCOURAGES RENOVATION OF OLDER COMPLEXES

Jackie Spinner
WASHINGTON POST STAFF WRITER
Wednesday, September 1, 1999; Page M03

In other times and places, the garden apartment has represented a step up and away from the mean city streets. The units were affordable but nice--accompanied by courtyards of greenery to soften the brick exteriors of the low-rise buildings.

But in Prince George's County, garden apartments have been seen as a curse by officials striving for a more upscale image. More than the tobacco farms, more than the pleasant suburbs of single-family homes, they have come to define the county as the blue-collar stepchild of metropolitan Washington.

County Executive Wayne K. Curry (D) established a goal a little more than a year ago of reducing the number of apartments in the county 30 percent by encouraging owners and developers to demolish distressed units instead of rehabilitating them.

He is convinced that the garden apartment has been a public relations disaster for a county that is desperately trying to improve its image. Curry prefers to tout the new upscale subdivisions outside the Capital Beltway.

Curry can produce the statistics to prove that there are more people in his suburb who can afford a \$300,000 home than there are \$300,000 homes, even as the county has far more affordable housing than any other suburban jurisdiction in Washington.

"We clearly have the stock to lose," said P. Michael Errico, Curry's deputy chief administrative officer. "We have more than our fair share of these apartments. It just needs to be thinned out."

Errico said no analysis has been done to determine how many apartments have been lost under the policy and how many people have been forced to move.

Developers started to hear about the 30 percent rule when they approached the county for financial help to buy and renovate some of the most blighted complexes.

"Obviously they know what the goals of the county executive are," Errico said. Rehabilitation is "not the ideal thing we're looking at."

The apartments, mostly clustered inside the Beltway, were built for a market fueled by white flight from the District when Washington's schools were integrated. Their growth was lightly regulated, resulting in allegations of shoddy workmanship, political payoffs and criminal indictments.

But many didn't look bad, with their balconies and courtyards. Some shared the neighborhood with modest single-family homes and neatly mowed lawns. "They were built to last," said N. Stephen Stavrou, a developer who is renovating a Langley Park complex.

Curry's policy affects only those developers seeking county assistance to rehabilitate. The county cannot control the private market, which still demands apartments, new or old.

"We're not going to be a funding source for out-of-town absentee landlords," Curry said. "If you want the government to subsidize the renovations, you have to show how it's going to work. There has been too much density in too little of an area."

Planners say today's rehabilitation market is being fueled primarily by a good economy, a growing demand for housing closer to metropolitan centers and "smart growth" policies such as the ones in Maryland that emphasize redevelopment over new development.

"There is a new demand for inner suburban housing," said Robert W. Burchell, professor at the Rutgers University Center for Urban Policy. "It's the only location where a multifamily variety is permitted. It's not being built, but it's being rehabilitated and condominiumized if possible."

Many jurisdictions, including Montgomery and Arlington counties, are encouraging housing revitalization by offering tax credits, tax-exempt bonds and other financing incentives.

Maryland Gov. Parris N. Glendening (D), a former three-term Prince George's county executive, has steered state funding to established communities to encourage revitalization and discourage sprawl.

Ellen James, Maryland's assistant secretary for neighborhood revitalization, said the state also encourages developers to reduce the density of the larger apartment complexes. But she said it's tricky because state officials do not want to encourage gentrification, which so far has not been a major problem for Prince George's.

"In the D.C. and Baltimore area, we are seeing this remarkable reinvestment, but we have to ask if these are white baby boomers who are benefiting or is this housing for other ethnic groups?" she said. "Anyone can do gentrification. The trick is providing housing for multiple income levels."

Robert Clemetson wonders where the less affluent will go if Prince George's is unsuccessful in providing the kind of mixed-income housing the state is promoting.

Clemetson, as lead organizer for the Interfaith Action Coalition, which represents 45 churches in the

county, does not agree that the county has 30 percent of its apartment stock to spare. "People are more caught up in image than substance," he said.

Clemetson said he would like the county to find a way to move residents of the apartment complexes into single-family homes. He also would like the county to encourage apartment complex owners to convert their properties into co-ops.

The premise of Curry's policy is that the county has more than its share of affordable housing when compared with the rest of the region.

A Housing Policy Task Force appointed by Curry concluded in 1996 that although Prince George's trailed Montgomery in numbers of apartment units, it led the region with the most subsidized units, 16,000, compared with 10,000 in Montgomery and 7,000 in Fairfax County.

But Mosi Harrington, executive director of the county's Housing Initiative Partnership, which advocates affordable housing, noted that the county also has more poor people and a lower median income. She objected to a policy that encourages, as one developer put it, "rehabilitation by demolition."

"The perception in the county is that we have too much low-income housing, and I don't think that's the case," Harrington said. "You don't need a PhD to go in and tear something down. You need to learn to revitalize."

Errico said the county is not opposed to some rehabilitation where residents are living in the worst conditions. Prince George's is offering financial assistance to four such projects: two in Laurel, one in Langley Park and one in District Heights.

The county has access to \$2.4 million in federal funds for low-interest loans to developers. It also has used its bonding authority to offer tax-exempt financing through the county's Housing Authority.

Errico said the county is cracking down on substandard housing, forcing negligent owners to rehabilitate or lose their license to rent. Once that happens, the county may condemn a property and tear it down.

That has happened once since the policy took effect. In August 1998, the county demolished an 11-story apartment building in Oxon Hill. In that case, the county worked with the tenants to help them find other homes, said County Council member Dorothy F. Bailey (D-Temple Hills).

The county maintains a list of the most distressed properties--complexes with multiple code violations. Once on the list, the properties are inspected twice as often.

Samuel E. Wynkoop Jr., director of environmental affairs, which regulates rental units, said the policy has worked because it has forced owners to clean up some of the most blighted properties. He said three properties have been removed from the list since the policy took effect. As of midsummer, there were 32 left.

Richard Tager's Bethesda-based AHD Inc. has renovated three apartment complexes in Prince George's in the last year: 291 units at Penn Mar Apartments in Forestville, 216 units at Auburn Manor in Riverdale and 204 units at Langley Gardens in Langley Park.

Tager said the county helped pay to remove the lead paint at the Penn Mar and Langley Gardens apartments and financed bonds for the Langley project. Both deals were negotiated before Curry's policy went into effect.

Tager said he got into the rehabilitation market because of a 1986 federal tax-credit program for owners who renovate or build new housing that is offered to tenants at below-market rates. Rehabilitators also avoid paying development fees on new construction.

Tager said he "rather supports" reducing the county's apartment stock, even though he is in the rehabilitation business. "They are looking to have these properties look better . . . and to reduce the density when it makes sense," he said.

But Chris Whitney, director of the Washington Area Housing Partnership, which monitors affordable housing as part of the Council of Governments, said there is a danger in trying to move too quickly.

The Washington area has a shortage of affordable housing, he said. And if Prince George's reduces its stock, the entire region is going to be affected.

"Trying to do rehabilitation and do it well and keep rents affordable is really tricky," he said.

Rob Hess, president of the Center for Poverty Solutions, a nonprofit group that monitors affordable housing in the region, called the Prince George's policy a "backward approach" and "a slap in the face of poor people." The county, he said, has no surplus of affordable apartments, as evidenced by the 18,000 people who applied for subsidized rental housing within two weeks this year.

But Curry said his policy is being misunderstood.

"I'm a fervent believer in revitalization," he said. "The 30 percent is applied to the renovation of slum apartments. We have such an overabundance of the ones that have failed over and over. I won't promote slum housing."

Cutline: A year ago, the county demolished an 11-story apartment building in Oxon Hill. Although different in structure from the area's garden apartments, it had deteriorated to the same point as have many of the low-rise complexes that Prince George's County also would like to replace.

Developer N. Stephen Stavrou stands in the basement of an apartment building his company is renovating.

"If you want the government to subsidize the renovations, you have to show how it's going to work," County Executive Wayne K. Curry said.

Articles appear as they were originally printed in The Washington Post and may not include subsequent corrections.