Charles County

Affordable Housing Report

Executive Summary - September 2025

Charles County Department of Planning and Growth Management • 200 Baltimore Street, La Plata, MD • Maryland Relay: 7-1-1 (Relay TDD: 1-800-735-2258)

EXECUTIVE SUMMARY

The Charles County Affordable Housing Report presents a comprehensive strategy to address the critical need for affordable housing in the county. The effort is led by the Affordable Housing Workgroup, established in 2023 by the Board of Commissioners, to assess existing policies, set housing targets, and propose actionable recommendations to meet the housing needs of low- and moderate-income residents.

Key Findings

- **Housing Affordability Crisis:** Over one-third of Charles County households fall into low- or very-low-income categories (earning less than 80% of the Area Median Income [AMI]), with the majority being cost-burdened—spending more than 30% of their income on housing.

- **Rising Costs:** Both home prices and rents in the county have consistently outpaced wage growth, leading to a significant housing affordability gap. As of 2025, the median home price is over $460,000, and fair market rent for a two-bedroom apartment exceeds $2,300—unaffordable for most residents earning under 80% AMI.

- **Workforce Impact:** Essential workers, such as teachers, service employees, and law enforcement officers, often fall into the low-income bracket and struggle to find affordable housing in the community they serve.

- **Economic Implications:** Affordable housing contributes to economic growth by supporting job creation, retaining local workers, and increasing consumer spending. In contrast, a lack of affordable housing can deter business investment and reduce GDP growth.

- **State and Local Policy Alignment:** Charles County's strategy aligns with recent statewide housing initiatives under Maryland Governor Wes Moore, including zoning reforms, funding programs, and the promotion of accessory dwelling units.

Public Engagement

Extensive public input was gathered through surveys and outreach. Younger residents, renters, and newer county residents strongly support affordable housing initiatives, while concerns from long-time homeowners included infrastructure strain and property values.

Recommendations

The report outlines a mix of short-, medium-, and long-term policy recommendations across three major categories:

Land Use and Zoning Policies

- Make inclusionary zoning (Moderately Priced Dwelling Units) mandatory.
- Allow more accessory dwelling units (ADUs) countywide and explore Tiny Home communities.
- Encourage “starter homes” by reducing minimum lot and home size requirements.
- Promote “Missing Middle” housing and reduce parking minimums near transit.

Subsidy and Financial Tools

- Establish a Payment In Lieu of Taxes (PILOT) program to incentivize developers.
- Expand funding for emergency rental assistance, low-income homebuyer assistance, and renovation loans
- Create a Housing Trust Fund with dedicated local funding.

Countywide Support Policies

- Form an Affordable Housing Board and increase staffing.
- Implement a Right of First Refusal program and a Rental Licensing program.
- Explore limiting corporate ownership of single-family rental housing.

Targets

Previous research confirms that as of 2025 Charles County is short nearly 1,200 affordable housing units for households earning 30% to 80% AMI. To eliminate this deficit in the next 10 years this report estimates just over 200 units per year will need to be added to local supply. By implementing the policies outlined above, this report estimates that the County will see an increase of up to 240-260 additional affordable units per year. Once the supply deficit has been eliminated, this report estimates less than 100 affordable units will be needed per year to keep pace with Charles County’s population growth.

Conclusion

This strategy offers a roadmap for Charles County to proactively address housing affordability, enhance community equity, and support economic development. By implementing these recommendations, the county can ensure that all residents—regardless of income—have access to safe, stable, and affordable homes.