



2025 Worcester County Housing Study

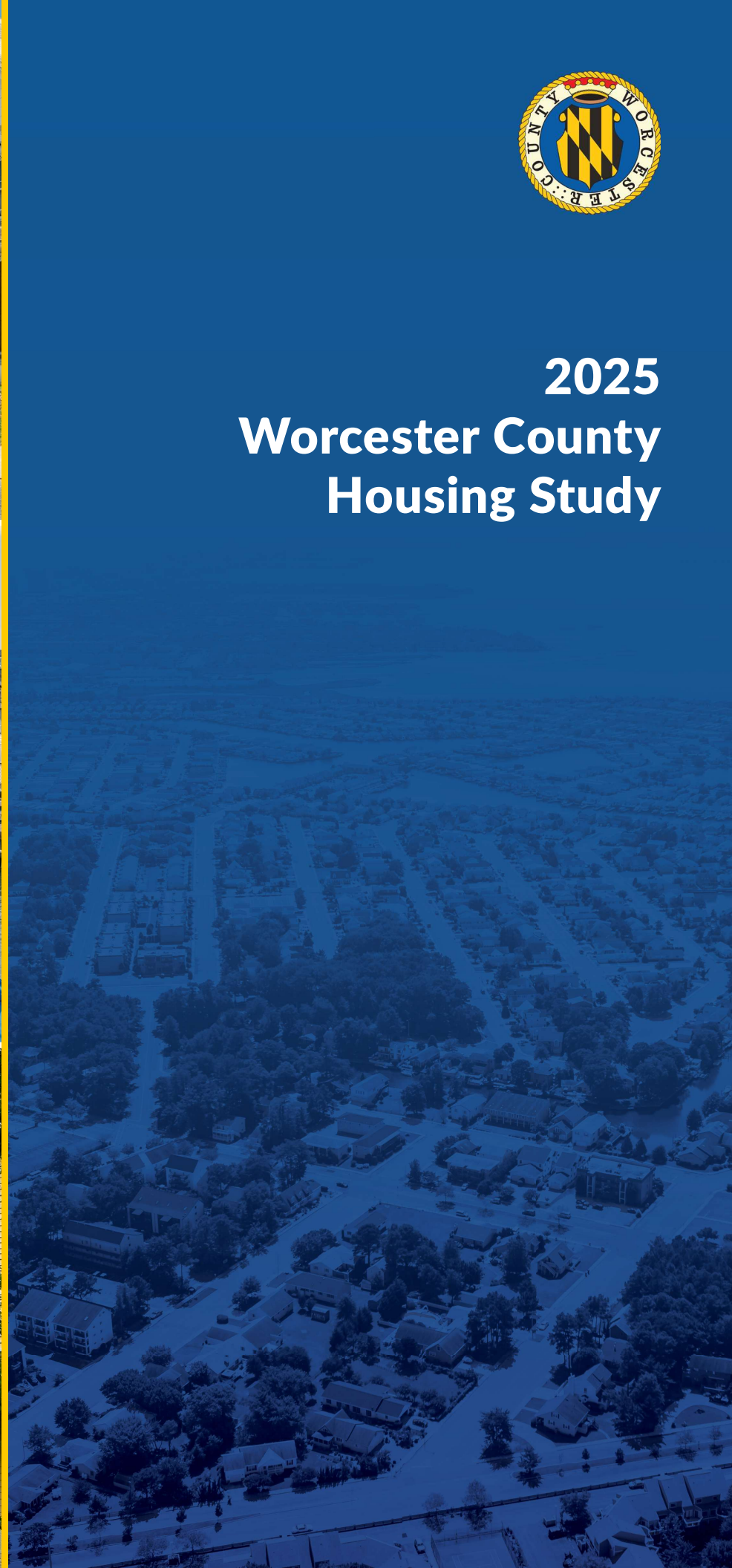




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2025 Worcester County Housing Study

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Executive Summary

The *2025 Worcester County Housing Study* provides an updated assessment of housing conditions, affordability, and future needs across the County. Commissioned by Worcester County and conducted by Matrix Design Group, Inc. (Matrix), this study builds upon two prior efforts: the *Affordable Housing Report 2004* and the *Substandard Housing Study 2004*. While those earlier reports provided valuable baseline insights, shifting market dynamics, demographic changes, and rising housing costs over the past two decades have created new challenges that warrant renewed attention. This updated study offers a more comprehensive and rigorous analysis of current conditions and is intended to guide future planning, investment, and policy decisions.

The study features a comprehensive analysis of demographic trends—including population age, educational attainment, housing tenure, and disability status—alongside an economic and workforce profile that examines household income levels, poverty rates, and employment by industry sector and associated earnings. It also includes a detailed assessment of the County's housing stock, analyzing its size and composition, recent building permit activity, and vacancy patterns. Additional sections evaluate the rental and for-sale markets and estimate current housing needs as well as projected gaps through 2035 and 2050. The substandard housing analysis incorporates multiple factors linked to housing inadequacy—such as building age, construction quality, fuel type, off-market vacancy, and the absence of kitchen or plumbing facilities—to construct a composite Substandard Housing Index using advanced statistical techniques. A community engagement campaign consisting of a resident survey and stakeholder interviews supplemented the quantitative analysis. Finally, the report features strategies to improve the existing housing stock. The major findings are summarized below.

Demographics

- From 2010 to 2023, Worcester County's population increased from 51,454 to 54,337; it is projected to grow to 59,650 by 2035 and 62,895 by 2050.
- Worcester County's median population age (50.7) is significantly higher than Maryland's (39.3), with especially high concentrations of seniors in Ocean Pines and Ocean City.
- Consistent with the service-oriented nature of the local economy, 33% of County residents held a bachelor's degree, nine points below the statewide rate.

- About 15% of seniors reported ambulatory disabilities, highlighting the need for accessible housing options to facilitate aging in place.
- The County is less racially diverse than the state overall, but Black residents are more concentrated in Pocomoke City and Snow Hill.
- Worcester's homeownership rate (77%) exceeded the state average, but rates ranged from 55% in Berlin to nearly 90% in Ocean Pines.
- On average, Worcester County households consist of 2.2 people, illustrating the need for smaller housing options.
- Berlin, Pocomoke City, and Snow Hill faced high rates of household overcrowding, indicating affordability and space constraints.

Economic & Workforce Profile

- Across Worcester County, real incomes have grown at a faster rate than in Maryland overall, with the median Worcester household earning \$81,455 in 2023; nonetheless, the typical Maryland household earned about \$20,000 more.
- Income growth varied widely across the County. West Ocean City experienced the strongest gains, while Ocean City saw more modest increases; despite notable growth, lower-income areas like Pocomoke City continued to report some of the lowest median incomes.
- About one-third of County households earned under \$50,000 in 2023. Only 20% earned above \$150,000, compared to 32% statewide, with the highest-income households concentrated in West Ocean City.
- The median owner-occupied household earned \$95,497 annually, more than double the income reported by the median renter-occupied household. In some communities, such as Berlin, the homeowner-renter income gap was even wider, potentially signaling heightened affordability pressures and displacement risk for renters.
- While poverty was relatively rare in the County overall, Snow Hill and Pocomoke City reported high rates, highlighting the need for deeply affordable housing options.
- *Accommodation and Food Services* and *Retail Trade* accounted for about half of the County's total jobs in 2024, with average annual earnings of \$32,924 and \$36,245, respectively.
- Across all sectors, average annual earnings totaled \$45,653 in 2024, suggesting there is significant demand for affordable housing, especially in coastal and tourism-heavy areas.

Housing Stock

- Single-family detached homes dominate Worcester's inland and unincorporated communities, whereas large multifamily buildings are almost exclusively found in Ocean City. Overall, single-family detached homes represented 43% of the housing stock.
- New residential construction is predominantly single-family, with 95% of permitted units in 2024 classified as such.

- Countywide, three-bedroom units accounted for 41% of the housing stock. Ocean City skews toward smaller units, while homes with four or more bedrooms are proportionally more common in Ocean Pines and West Ocean City.
- Homeowner and rental vacancy rates have declined markedly in recent years, with many communities reporting near-zero availability by 2023. An exception to this trend has been Ocean City, where seasonal dynamics still drive elevated rates.
- Nearly half of the County's housing stock was classified as seasonal or vacation homes, limiting availability for full-time residents. Other off-market vacancies, which are often in poor condition, are more common in rural areas like Pocomoke City.

Rental Market

- As of May 2025, the typical unit in Worcester rented for \$2,228, representing a 13.3% increase over the May 2024 inflation-adjusted value of \$1,966.
- Accounting for average utilities, households require an annual income of nearly \$100,000 to afford the typical unit. This far exceeds the County's most recent estimate of median renter household income (roughly \$46,000).
- Rents routinely exceed \$3,000 in West Ocean City and reach \$2,500 in other unincorporated areas, reflecting the single-family composition of the housing stock.
- Only 1% of July 2025 rental listings were affordable to households earning \$50,000—the income range encompassing most renters. About half of the required incomes of \$100,000 or more.
- Average monthly rents (including utilities) ranged from \$1,918 for a one-bedroom unit to \$3,991 for four-or-more bedroom units, suggesting that larger families often need to choose between living in overcrowded housing conditions or being severely cost burdened.
- As of 2023, 53% of renters were considered cost burdened, paying more than 30% of income on housing. This includes the 26% of renters classified as severely burdened, who allocated at least half their income to rent and utilities.

Homeownership Market

- As of May 2025, the typical Worcester home was valued at \$428,087—well above pre-pandemic levels, despite a slight recent decline from its 2022 peak. To comfortably afford a home sold at this price, a household would need to earn over \$140,000 annually.
- From July 2023 to July 2024, sale prices varied dramatically across the County, with local medians ranging from approximately \$195,000 in Pocomoke City to \$490,000 in West Ocean City.
- Price distributions are more dispersed in Ocean City and West Ocean City, while places like Ocean Pines and Snow Hill exhibit tighter clustering near the median, meaning there are fewer options for buyers at different income levels.
- Only 10% of recent home sales were affordable to households earning \$75,000; at the \$100,000 level, this figure rises to 24%.

- About 1,900 homes were sold from July 2023 to July 2024. This equaled 4% of the total housing stock—well below the 6-to-8% range typical of healthy markets.
- Among mortgaged households, regardless of when their homes were purchased, Worcester’s median monthly cost was \$1,865. For owners without a mortgage, the median was \$677.
- Nearly one-third of mortgaged homeowners were cost burdened, spending 30% or more of income on housing. About 16% of mortgage-free homeowners faced similar financial strain, with particularly high rates observed in Pocomoke City and Snow Hill.

Current & Projected Housing Demand

- The most recent data show that 73% of the County’s 5,541 renter-occupied households fall below the 80% AMI level, compared to 42% of its 18,286 owner-occupied households.
- The number of owner-occupied households is expected to reach 18,878 in 2035 and 20,011 in 2050, while renter-occupied households are projected to grow to 5,722 and 6,064, respectively.
- Currently, Worcester faces a shortage of 2,076 housing units, including 1,518 owner units and 558 rental units. To accommodate future demand from anticipated population growth, the County has a cumulative need of 2,870 units by 2035 and 4,389 units by 2050.

Substandard Housing

- Housing condition varies widely across Worcester County, with the most severe deficiencies concentrated in and around Pocomoke City, Snow Hill, and nearby unincorporated areas; the best conditions are found in northern coastal communities such as Ocean City and Ocean Pines.
- Parcel-level analysis reveals clusters (“hot spots”) of homes that are both older and built to lower construction quality standards in the south, creating higher vulnerability to deterioration, code violations, and habitability issues.
- Older housing stock is widespread in southern communities, where approximately half of homes in some census tracts were built before 1970.
- Non-standard or less efficient heating fuels are far more common in the south, where reliance on sources such as bottled gas, fuel oil, kerosene, wood, or coal often signals older infrastructure, limited access to modern utilities, and higher ongoing maintenance and safety risks.

Community Engagement

- Among survey respondents aged 18–35, more than half reported living with or considering moving in with parents due to high housing costs.
- Roughly 1 in 5 survey participants expressed little to no confidence in their ability to make their next housing payment, and 41% reported reducing spending on essentials like food or medicine to cover housing costs.

- Respondents expressed strong demand for single-family homes (35%), but also showed meaningful interest in apartments, missing-middle housing, senior housing, and mobile/tiny homes, indicating a broad appetite for diverse housing options.
- In a series of interviews, stakeholders cited aging infrastructure, especially sewer requirements, as a major constraint on both rehabilitation and new housing development. Seasonal workforce housing shortages in Ocean City and a lack of transportation in rural areas also emerged as key challenges.
- Interviewees suggested reframing “affordable housing” as “workforce housing” to broaden support, analyzing the impact of short-term rentals in Ocean City, and targeting state and local resources to rehabilitate existing housing stock.

Existing Efforts & Strategic Opportunities

- Worcester County already utilizes a strong base of housing programs, including home rehabilitation, lead abatement, weatherization, accessibility improvements, and rental assistance through the Housing Choice Voucher Program.
- Federal and state resources such as CDBG, Operation Rebuild, DHCD Special Loans, and the Maryland Affordable Housing Trust (MAHT) have supported dozens of low- and moderate-income households annually, improving safety and reducing substandard conditions.
- Future housing needs will require expanded tools and funding, including LIHTC, Housing Trust Fund, and USDA Rural Development, and Maryland programs like Rental Housing Works.
- A mix of financial incentives and regulatory reforms (e.g., density bonuses, expedited permitting, fee waivers, TIF districts) are critical to lowering barriers for affordable development.
- Strategic opportunities include leveraging publicly owned land, expanding direct assistance, supporting workforce and employer-assisted housing, and enabling new missing middle housing.
- Short-term rental regulation and strong implementation support are necessary to protect long-term housing supply, ensure accountability, and target resources to the areas and populations of greatest need.



Introduction

Worcester County is a largely rural and coastal jurisdiction located on Maryland's Eastern Shore. Known for its natural amenities, small-town character, and tourism economy, the county includes a wide range of communities, from the resort town of Ocean City to agricultural villages and unincorporated rural areas. In recent years, Worcester has experienced modest population growth alongside notable demographic and economic shifts, including an aging population, seasonal housing pressures, and widening gaps in housing affordability. Rapid increases in home values and rents, particularly during and after the COVID-19 pandemic, have strained household budgets and placed homeownership increasingly out of reach for many residents. While some communities have seen income gains, these have not kept pace with rising housing costs across much of the County.

Commissioned by Worcester County and developed by Matrix Design Group, Inc. (Matrix), the *2025 Worcester County Housing Study* is a comprehensive effort to assess current housing conditions, identify affordability challenges, and forecast future housing needs through 2050. It represents an update to both *Affordable Housing Report 2004* and *Substandard Housing Study 2004*. In the two decades since those efforts, the County has experienced notable shifts in population, income, development activity, and market pressures that have reshaped local housing dynamics. Drawing on the most current, high-quality demographic, economic, housing stock, and housing market data, this study shows how rising costs, an acute shortage of affordable units, and uneven development patterns have intensified pressure on both renters and prospective homeowners, particularly impacting the lower-wage, service-oriented workforce. This report also offers targeted strategies to help Worcester County maintain a balanced and inclusive housing system that supports economic stability, community resilience, and quality of life. Addressing the County's housing challenges will require collaboration across local governments, developers, and community partners to ensure that housing options meet the needs of residents at all income levels.

Methodology

Matrix integrated traditional data analysis with innovative data science techniques to generate a detailed picture of housing needs and market dynamics. This quantitative foundation was complemented by extensive community engagement, including a countywide survey and in-depth stakeholder interviews, which provided critical qualitative insights into lived experiences,

housing barriers, and local priorities. This mixed-methods approach provided a robust analytical basis for the study’s findings and recommendations.

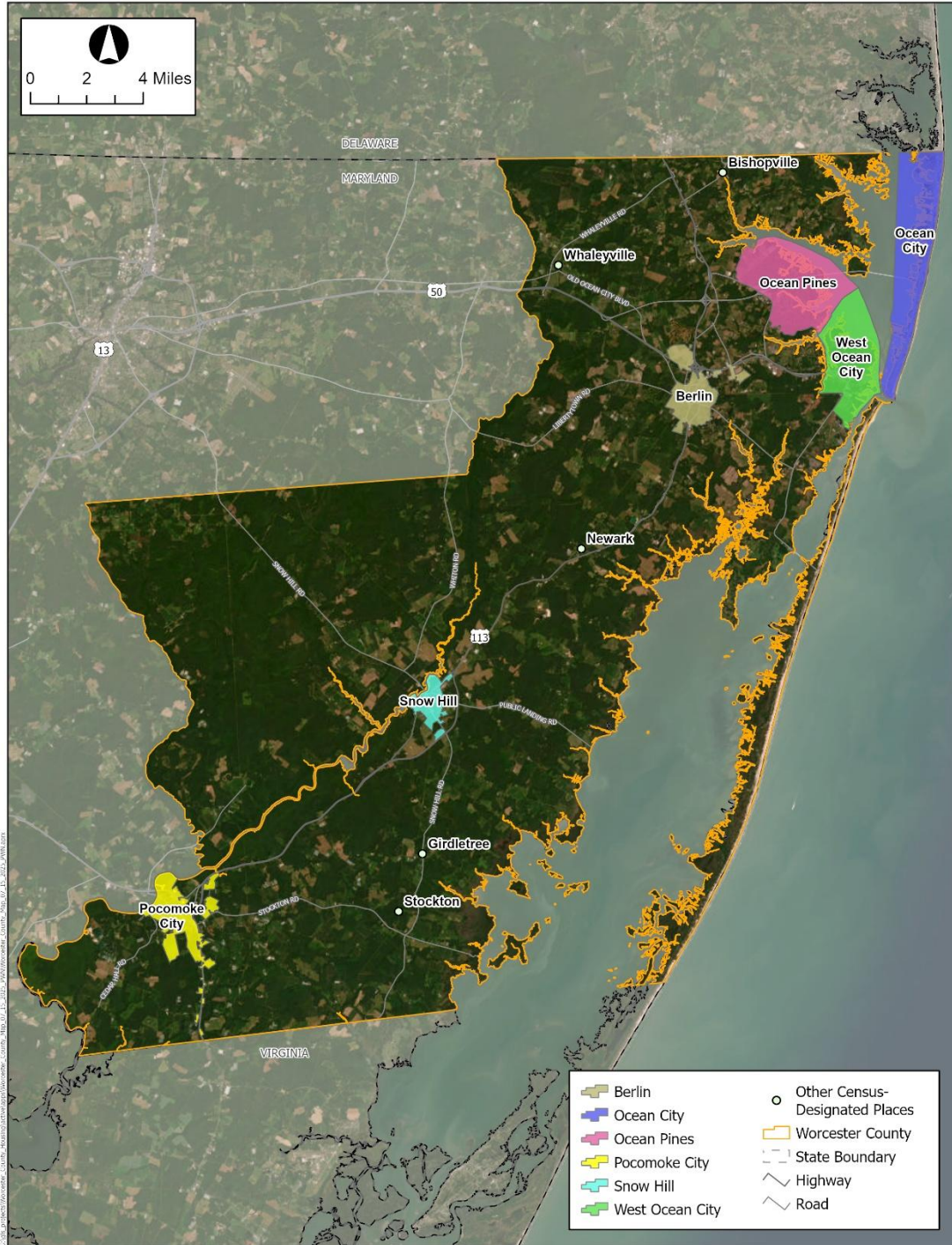
Key data sources include:

- **American Community Survey (ACS):** Administered by the U.S. Census Bureau, the ACS is a foundational source of demographic, social, economic, and housing data at multiple geographic levels. Estimates are developed using probability sampling and statistical weighting to ensure representativeness across communities. This assessment primarily uses the 2023 five-year ACS, which covers the period from 2019 to 2023, while incorporating data from the 2018 five-year ACS (2014–2018) to provide a longitudinal view of local trends. Importantly, ACS data are not merely reported as standalone descriptive statistics. Rather, the estimates serve as inputs for many of the analyses presented in this report. This report references ACS data by the year indicated in the version title, which reflects the final year of the five-year estimate (e.g., “2023” = 2019–2023).
- **Bureau of Labor Statistics (BLS):** Local labor force data were supplied by the Quarterly Census of Employment and Wages (QCEW).
- **Longitudinal Employer Household Dynamics (LEHD):** Commuting flow data were used to estimate housing demand from the in-commuting workforce.
- **Zillow:**
 - *Zillow Observed Rent Index (ZORI):* This proprietary metric measures changes in asking rents over time across the full rental market, not just professionally managed multifamily units. By capturing listings from a wide range of landlords and housing types, ZORI offers a broad and timely measure of rental market trends.
 - *Zillow Home Value Index (ZHVI):* Serving as the ownership counterpart to ZORI, ZHVI tracks changes in the estimated value of typical homes across the market over time.
 - *Zillow Rental Listings:* To provide insight into current market conditions, Matrix scraped all rental listings from July 2025.
- **Apartments.com:** To paint a comprehensive picture of the current rental market, Matrix also scraped all rental listings from July 2025, removing any duplicates also found on Zillow.
- **Worcester County Parcel Data:** Parcel-level data were used to analyze recent sales activity and identify substandard properties.
- **U.S. Census Building Permits Survey (BPS):** Permits issued for new construction from 2022 to 2024 were examined to understand the composition and scale of the housing pipeline.
- **Maryland Department of Planning:** This state entity provided population and household projections at five-year intervals through 2045.

Figure 1 presents a map of the study area. Where available, the report presents data for Worcester County as a whole, as well as the municipalities of Berlin, Ocean City, Pocomoke City, Snow Hill, and the Census-designated places (CDPs) of Ocean Pines and West Ocean City. An additional category—“Other Unincorporated Areas”—aggregates data for smaller communities such as Girdletree, Newark, Stockton, Whaleyville, and Bishopville, as well as any

unincorporated land not contained within municipal limits. For broader context, comparative data for the state of Maryland are also included throughout the study.

Figure 1. Study Area





Demographics

This section provides a comprehensive analysis of Worcester County's population trends, household characteristics, and key demographic indicators. Between 2020 and 2024, the County added approximately 2,000 residents, marking a notable acceleration in growth compared to the previous decade. Much of this growth occurred in unincorporated areas, underscoring the need to plan for housing and infrastructure beyond traditional town centers. Worcester County's population is significantly older than the state's, with a median age over 50 and nearly 30% of residents aged 65 or older. At the same time, younger families are more prominent in places like Snow Hill, Berlin, and Pocomoke City, contributing to varied housing needs across the County. Data on educational attainment, racial and ethnic makeup, household size, and homeownership also shed light on key inequities and emerging challenges. While the County reports lower rates of overcrowding and fewer residents without a high school diploma compared to Maryland overall, it also exhibits lower college attainment and notable variation in homeownership rates across communities, some of which align with racial and socioeconomic differences.



Population & Households

Table 1 presents population estimates for Worcester County and its subareas. As of 2024, the county’s population reached 54,337, an increase of **4% since 2020**. This marks a sharper growth trajectory compared to the previous decade, during which the County added roughly 1,000 residents, on net. Berlin has experienced the fastest relative growth, with its population rising by 12% between 2010 and 2020 and another 6% since, reaching 5,349 residents in 2024. Growth in Ocean City, Pocomoke City, and Snow Hill has been more modest by comparison. Incorporated areas collectively accounted for 18,902 residents, compared to 34,139 for unincorporated areas. Among them, Ocean Pines alone had 12,145 residents in 2020—making it **larger than any incorporated municipality**—followed by West Ocean City, which had 4,952 residents and saw 13% growth from 2010 to 2020. Smaller communities like Whaleyville and Newark have also experienced notable increases. These trends highlight growing demand for housing outside traditional town centers and suggest that planning efforts must address infrastructure, service delivery, and housing supply in unincorporated communities that are absorbing a disproportionate share of population growth.

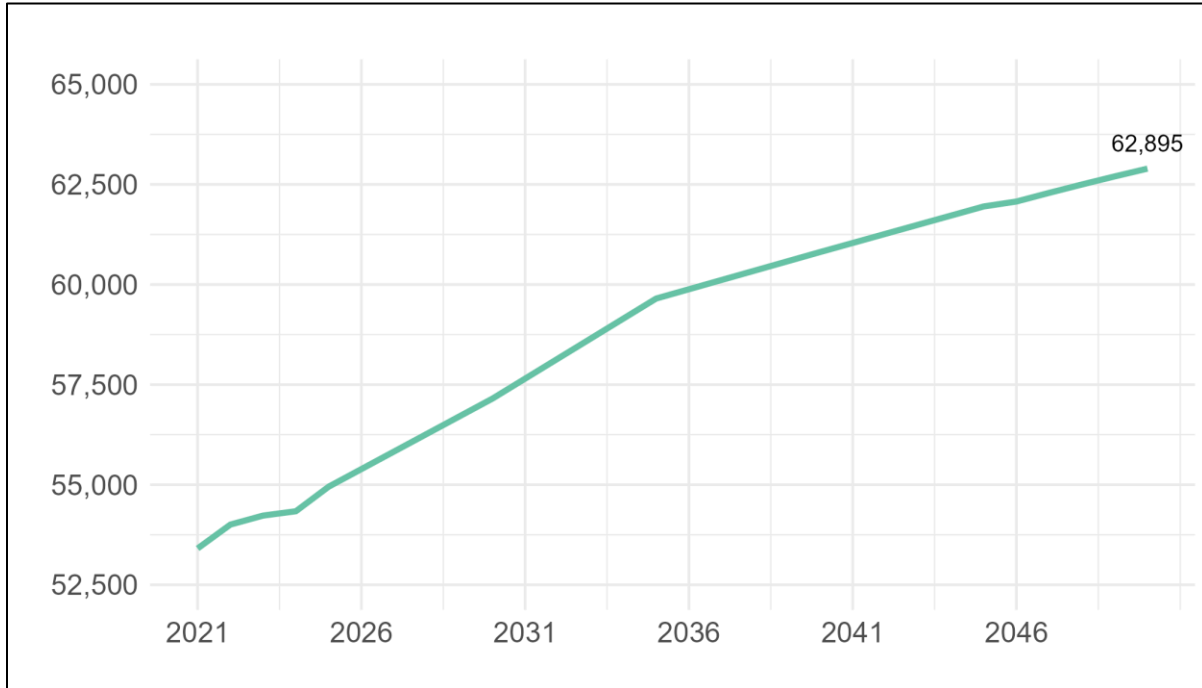
Table 1. Population, 2010, 2020, & 2024

Region	2010	2020	2024	Percent Change	
				2010–2020	2020–2024
Worcester County	51,454	52,460	54,337	2%	4%
<i>Incorporated Areas</i>	17,874	18,321	18,902	3%	3%
Berlin	4,485	5,026	5,349	12%	6%
Ocean City	7,102	6,844	6,884	-4%	1%
Pocomoke City	4,184	4,295	4,426	3%	3%
Snow Hill	2,103	2,156	2,243	3%	4%
<i>Unincorporated Areas</i>	33,580	34,139	35,435	2%	4%
Bishopville	531	499	—	-6%	—
Girdletree	149	141	—	-5%	—
Newark	336	401	—	19%	—
Ocean Pines	11,710	12,145	—	4%	—
Stockton	92	91	—	-1%	—
West Ocean City	4,375	4,952	—	13%	—
Whaleyville	149	192	—	29%	—
Other Unincorporated Areas	20,854	20,953	—	0%	—
Maryland	5,773,552	6,177,224	6,263,220	7%	1%

Source: U.S. Census Bureau; Matrix Design Group, Inc.

Worcester County's population is expected to grow steadily over the coming decades (see Figure 2). In 2021, the County was home to approximately 53,408 residents. Projections indicate an increase to **57,150 by 2030**, **60,810 by 2040**, and **62,895 by 2050**. Over the nearly 30-year period, the cumulative expected gain from the 2021 baseline is about **18%**. While modest, this growth underscores the importance of long-term planning to ensure the County's housing supply, infrastructure, and services can keep pace with future demand.

Figure 2. Estimated and Projected Population Growth, 2021–2025



Source: U.S. Census Bureau; Maryland Department of Planning; Matrix Design Group, Inc.

Note: Population estimates from 2021 to 2024 are postcensal figures based on U.S. Census Bureau data. Estimates for 2025 to 2045 were obtained from the Maryland Department of Planning and are available in five-year intervals. Intermediate years within this period were linearly interpolated. Projections for 2046 to 2050 were generated using a quadratic regression model based on prior population trends.

*WORCESTER'S POPULATION IS
PROJECTED TO GROW BY ABOUT
0.6% ANNUALLY, OR AN AVERAGE
OF 327 RESIDENTS*

Table 2 displays household counts across Worcester County, providing further insight into recent growth trends. As of 2023, the County had **23,827 households**, with the largest numbers in Ocean Pines (5,712), Ocean City (3,872), and West Ocean City (2,235). **Countywide household growth totaled 10% between 2018 and 2023, outpacing the statewide rate of 7%.** West Ocean City (22%) and Snow Hill (20%) experienced the fastest growth, signaling increasing residential demand in both coastal and inland areas. Smaller communities like Newark also saw significant gains, albeit from a small base. Unincorporated communities beyond Newark, Ocean Pines, and West Ocean City also contributed to the County's growth, reaching nearly 7,400 households. In contrast, household growth was more modest in Berlin (4%) and Ocean Pines (5%), despite their relatively sizable populations. These patterns suggest shifting development activity and underscore the importance of planning for infrastructure, housing, and services in areas experiencing rapid change.

A DISPROPORTIONATE SHARE OF WORCESTER COUNTY'S RECENT HOUSEHOLD GROWTH OCCURRED IN WEST OCEAN CITY AND OTHER UNINCORPORATED AREAS.

Table 2. Household Counts, 2018 & 2023

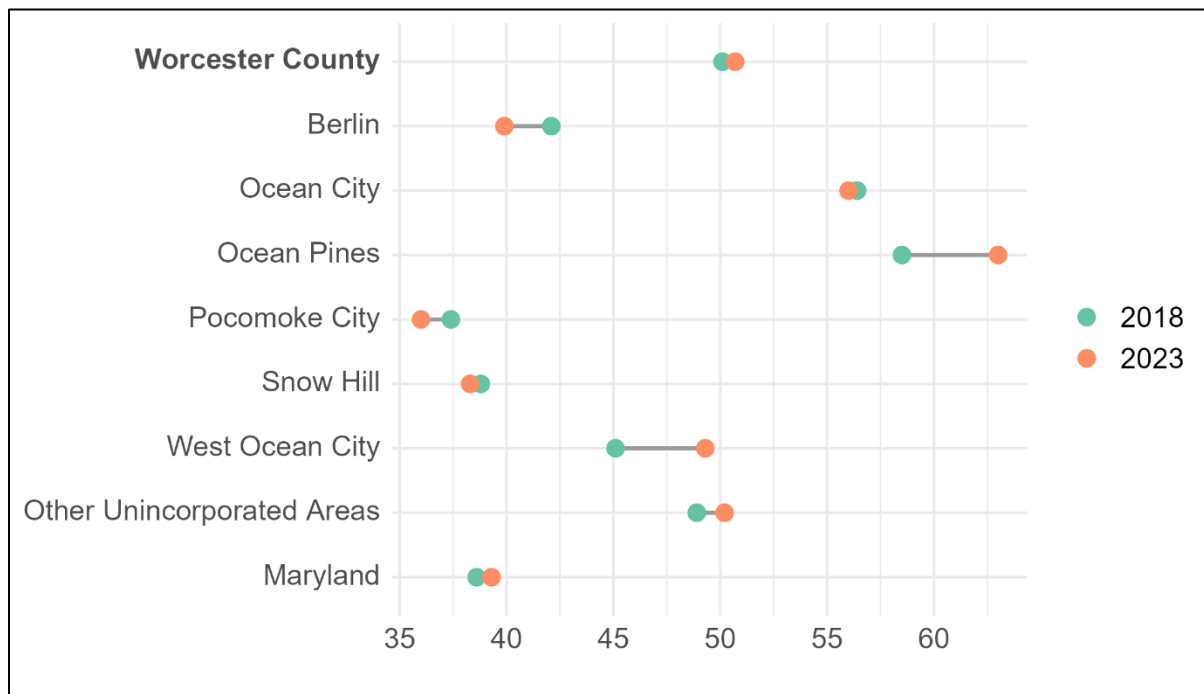
Region	2018	2023	Percent Change
Worcester County	21,672	23,827	10%
Berlin	1,800	1,880	4%
Newark	121	140	16%
Ocean City	3,585	3,872	8%
Ocean Pines	5,435	5,712	5%
Pocomoke City	1,651	1,796	9%
Snow Hill	785	944	20%
West Ocean City	1,827	2,235	22%
Other Unincorporated Areas	6,589	7,388	12%
Maryland	2,192,518	2,339,510	7%

Source: Five-Year American Community Survey; Matrix Design Group, Inc.

Population Age

Figure 3 presents median age estimates across Worcester County, illustrating that, consistent with broader demographic trends, its population is aging. The County’s median age of 50.7 in 2023 was *significantly higher than the statewide median of 39.3*, consistent with the area’s strong appeal to retirees and older adults. The age disparity is especially pronounced in Ocean Pines and Ocean City, where median ages exceeded 60 and 55, respectively. In contrast, communities like Pocomoke City and Snow Hill have younger populations, with median ages under 40. The overall age profile suggests that Worcester County will likely face growing demand for age-friendly housing, healthcare access, and senior services, while also needing to ensure that younger households and workers are not priced out of communities with aging populations.

Figure 3. Median Population Age, 2018 & 2023

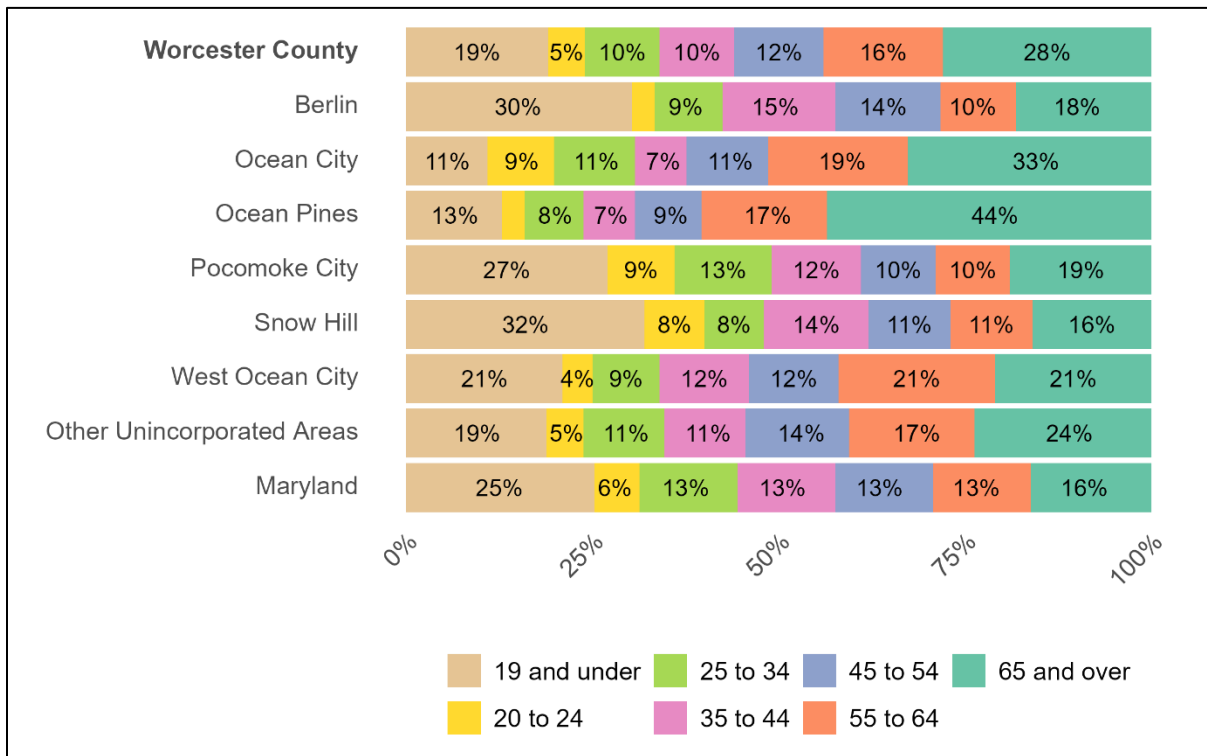


Source: Five-Year American Community Survey; Matrix Design Group, Inc.

Figure 4 presents a more complete picture of the County's age profile. Countywide, **28% of residents were aged 65 or older**—significantly above the state average of 16%—with particularly high concentrations in **Ocean Pines (44%) and Ocean City (33%)**. These comparatively large older populations reflect Worcester County's appeal as a retirement and resort destination, especially in coastal communities. In contrast, youth under 20 accounted for just 19% of the County's population, compared to 25% statewide. However, children and teenagers make up a proportionally larger share of the population in **Snow Hill (32%), Berlin (30%), and Pocomoke City (27%)**, indicating a younger demographic that may drive demand for schools, childcare, and youth programming. The County also has a relatively small share of young adults, with just 10% of residents between the ages of 25 and 34. Adults aged 35 to 54 represent a larger share (22% in total) of the population, split about evenly between the 35-to-44 (10%) and 45-to-54 (12%) age groups, indicating a strong presence of residents in their prime working years.

YOUTH UNDER 20 ARE MORE CONCENTRATED IN INLAND TOWNS, WHILE HIGHER SHARES OF SENIORS RESIDE IN OCEAN PINES AND OCEAN CITY.

Figure 4. Population Age Distribution, 2023

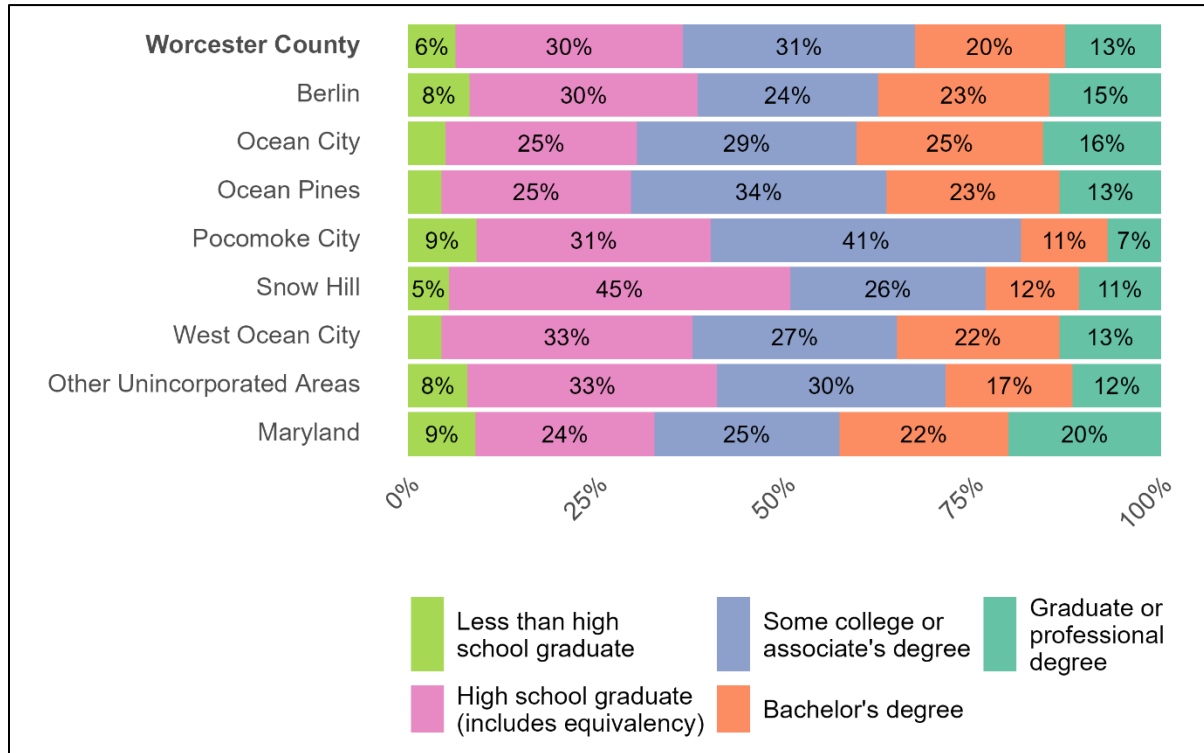


Source: Five-Year American Community Survey; Matrix Design Group, Inc.

Educational Attainment

Figure 5 presents data on educational attainment for residents aged 25 and over. Countywide, **just 6% of adults lacked a high school diploma**, well below the statewide rate of 9%, indicating relatively strong baseline educational outcomes. However, **only 33% of residents held a bachelor's degree or higher, compared to 42% statewide**. This gap may reflect the structure of the local economy, which is heavily oriented around tourism and seasonal service-sector jobs that often do not require a college degree. Educational attainment varies widely across the County: Ocean City (40%), Berlin (38%), Ocean Pines (36%), and West Ocean City (35%) all exceed the County average, likely influenced by in-migration of retirees and professionals who live locally but work remotely. In contrast, Pocomoke City (19%) and Snow Hill (23%) reported much lower rates of college attainment, which may limit access to higher-wage employment and constrain economic mobility in those communities.

Figure 5. Educational Attainment, 2023



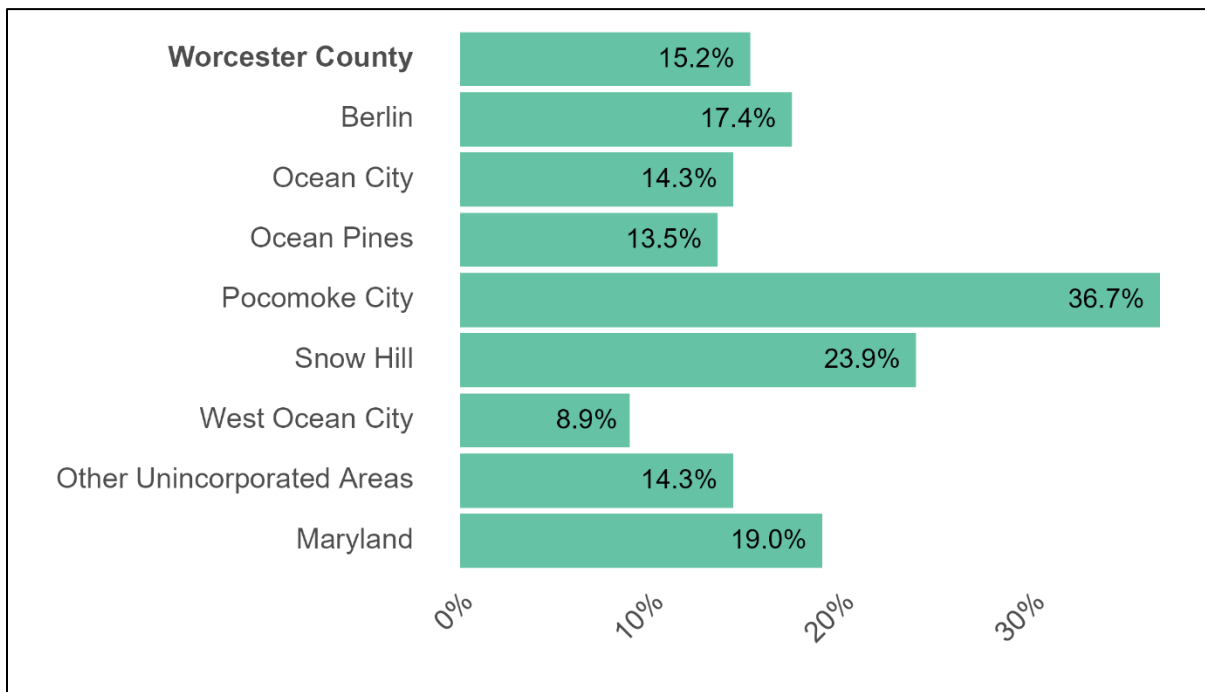
Source: Five-Year American Community Survey; Matrix Design Group, Inc.

Note: Rates are for the 25-years-and-over population.

Disability

Figure 6 displays the prevalence of ambulatory disabilities among residents aged 65 and older across Worcester County, illustrating how accessible housing needs differ by community. Countywide, 15% of seniors experienced an ambulatory disability, slightly below the statewide rate of 19%. Among local communities, rates ranged from just 9% in West Ocean City to 37% in Pocomoke City and 24% in Snow Hill. In total, **3,516 County residents reported an ambulatory disability, with seniors accounting for 64% of those affected.** These figures underscore the importance of planning for and regularly monitoring the availability of accessible housing, particularly in communities with older populations and higher disability rates. Ensuring that homes support mobility and safety—through features like no-step entries, wider doorways, and accessible bathrooms—will be essential to help older adults age in place and maintain independence.

Figure 6. Ambulatory Disability Rates among 65-Years-and-Over Population, 2023



Source: Five-Year American Community Survey; Matrix Design Group, Inc.

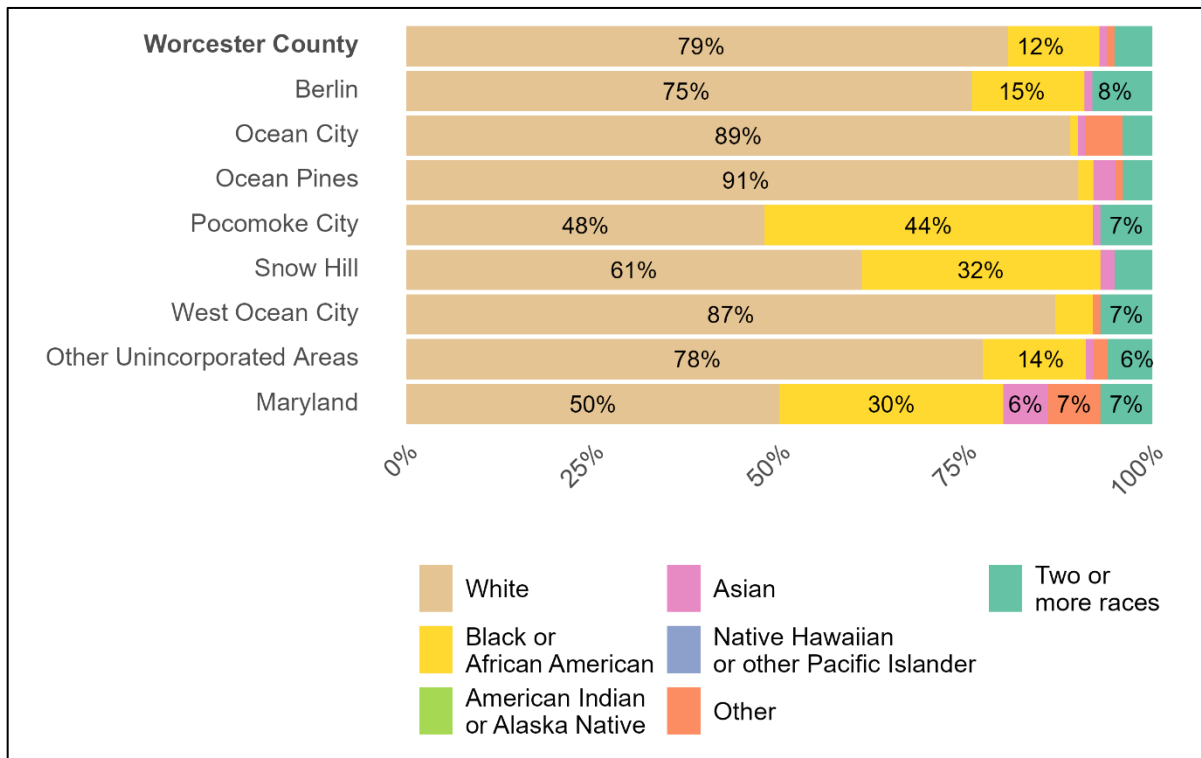
Note: An ambulatory disability refers to a mobility limitation resulting from a physical condition, injury, illness, or age.

SENIORS MAKE UP NEARLY TWO-THIRDS OF WORCESTER RESIDENTS WITH AMBULATORY DISABILITIES.

Race and Ethnicity

Figure 7 illustrates the racial composition of Worcester County, which is less diverse than the state overall. Countywide, **79% of residents identified as white**, exceeding the statewide share by nearly 30 percentage points. Black residents represented 12% of the County’s population—far below the Maryland average of 30%—but are more heavily represented in communities like Pocomoke City (44%) and Snow Hill (32%). Ocean City and Ocean Pines are the County’s most homogenous communities, with whites accounting for about 90% of their populations. Asian residents represented just 1% of the County population, compared to 6% statewide. These racial patterns have important implications for housing access and ownership. In particular, Black households—who often become homeowners later in life due to systemic barriers—may face added challenges in predominantly white, higher-cost areas with limited starter-home stock.¹ Addressing disparities in homeownership opportunities will require intentional strategies to expand affordable and accessible pathways to ownership, particularly for communities of color.

Figure 7. Population Racial Composition, 2023



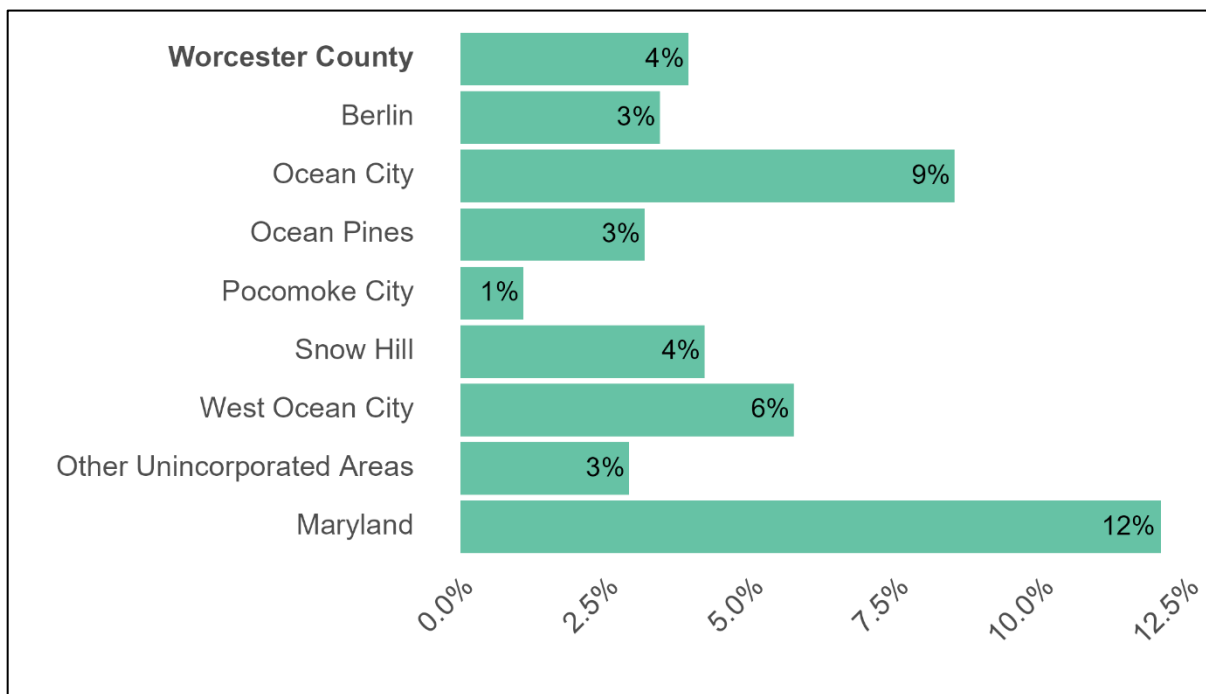
Source: Five-Year American Community Survey; Matrix Design Group, Inc.

Note: In U.S. Census and ACS data, *Hispanic or Latino* is classified as an ethnicity, not a race. Individuals identifying as Hispanic may be of any race.

¹ Ellen, Ingrid Gould, and Samuel Dastrup. Homeownership and the American Dream. Washington, DC: Urban Institute, April 2021. Available at: https://www.urban.org/sites/default/files/publication/96221/homeownership_and_the_american_dream_0.pdf

Similarly, Worcester County has proportionally fewer Hispanic or Latino residents than Maryland overall (see Figure 8). **Countywide, just 4% of residents were Hispanic or Latino**, roughly one-third of the statewide share. Ocean City (9%) and West Ocean City (6%) have the highest concentrations in the County, while other communities such as Pocomoke City (1%) and Ocean Pines (3%) reported notably smaller shares. Although the Hispanic population in Worcester County remains relatively small, its growing presence, particularly in coastal communities, is likely tied in part to the tourism and service-sector workforce. As this population continues to expand, it will be important to ensure that housing policies and outreach efforts are inclusive and culturally responsive, particularly in addressing language barriers, access to credit, and pathways to homeownership.

Figure 8. Hispanic or Latino Share of the Population, 2023



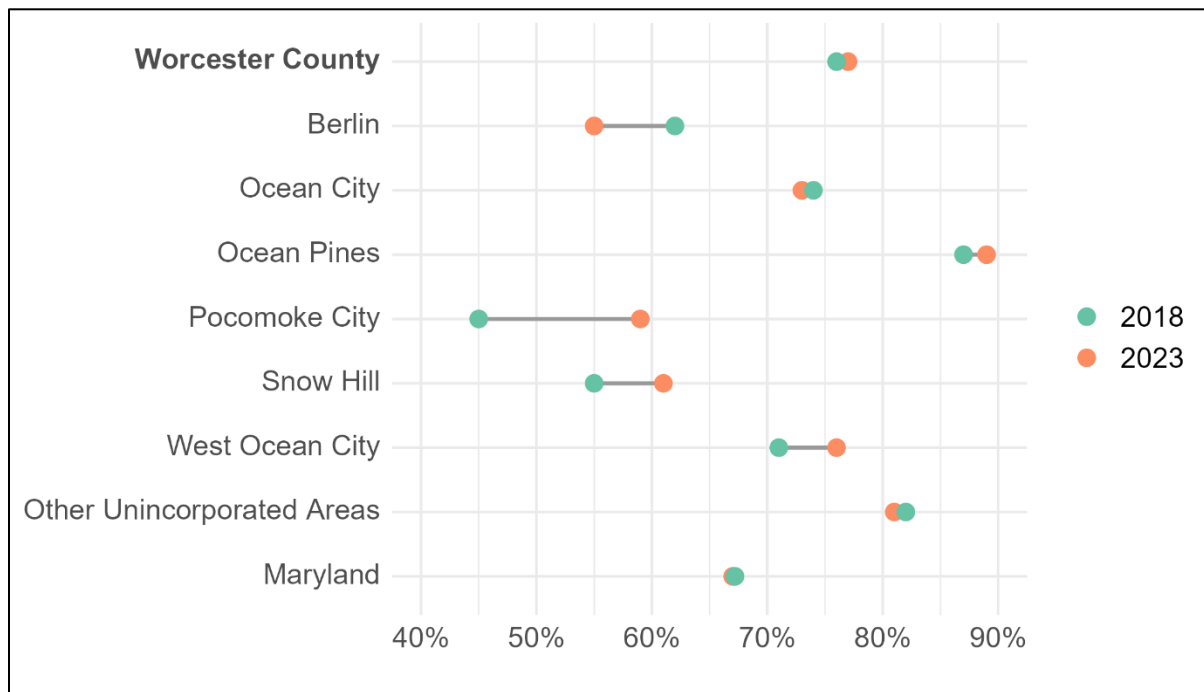
Source: Five-Year American Community Survey; Matrix Design Group, Inc.

*OCEAN CITY'S RELATIVELY LARGE
HISPANIC/LATINO POPULATION IS TIED TO ITS
LOCAL SERVICE ECONOMY.*

Tenure

In Worcester County, the **2023 homeownership rate of 77%** remained largely unchanged from 2018 (see Figure 9). Both rates were about 10 percentage points above the statewide average, which held steady at 67%. The highest rates were observed in Ocean Pines and the County's other unincorporated areas, exceeding 80%. The prevalence of homeownership in these communities reflects their appeal to retirees and long-term residents. Notably, West Ocean City saw a notable increase in its ownership rate, from 71% to 76%. On the other hand, there is a greater reliance on rental housing in Berlin, Pocomoke City, and Snow Hill. While Snow Hill and Pocomoke City experienced significant gains in homeownership over the period, Berlin's rate declined from 62% to 55%. Intraregional disparities in homeownership may be due to differences in household income, housing stock, and demographic composition. For example, areas with larger Black populations, such as Pocomoke City and Snow Hill, tend to have lower homeownership rates, in part due to long-standing barriers that delay or limit access to ownership.

Figure 9. Homeownership Rates, 2018 & 2023



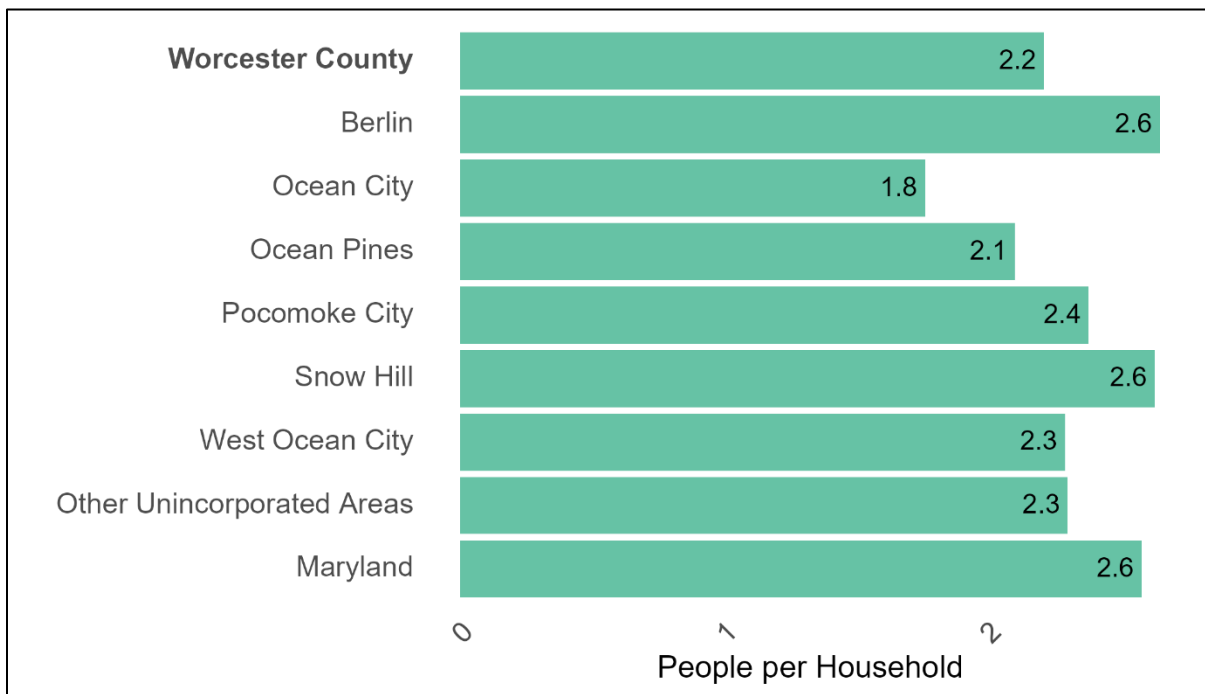
Source: Five-Year American Community Survey; Matrix Design Group, Inc.

Note: Households, rather than individuals, are the unit of analysis.

Household Size & Overcrowding

In Worcester County, the average household is smaller than its statewide counterpart, **consisting of 2.2 people** (see Figure 10). This may be due in part to the County’s older population and the prevalence of seasonal or retirement-oriented housing, both of which are associated with smaller household sizes. Ocean City had the lowest household size at just 1.8 people, likely reflecting its older population and high share of single-person or part-time households. In contrast, Berlin (2.7), Snow Hill (2.6), and Pocomoke City (2.4) reported larger household sizes, indicating a higher prevalence of families with children or multigenerational arrangements. These differences in household size have implications for the types of housing needed: While some communities require more family-sized units, others may need to expand housing options suitable for singles and older adults.

Figure 10. Average Household Size, 2023

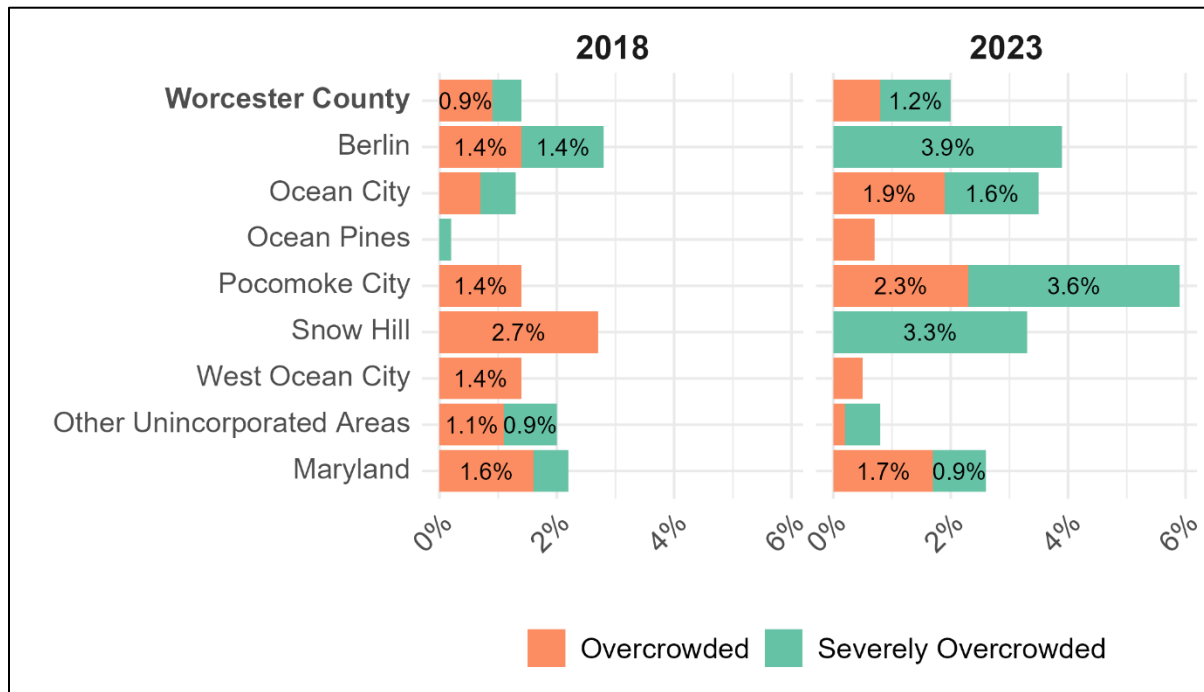


Source: Five-Year American Community Survey; Matrix Design Group, Inc.

A DIVERSE MIX OF HOUSING TYPES THAT SERVES BOTH OLDER ADULTS AND GROWING FAMILIES IS REQUIRED TO ACCOMMODATE THE COUNTY'S POPULATION.

Figure 11 presents data on overcrowded and severely overcrowded housing in Worcester County and its communities, shedding light on potential mismatches between housing stock and household needs. From 2018 to 2023, the total overcrowding rate—which includes both overcrowded (1.01 to 1.5 occupants per room) and severely overcrowded (more than 1.5 occupants per room) households—became more prevalent, especially in incorporated communities. In 2023, **0.8% of the County’s households were overcrowded, while 1.2% experienced severe overcrowding**. While the combined rate of overcrowding (2.0%) is below the combined rate of overcrowding for the state as a whole (2.6%), the County has a slightly higher prevalence of severe overcrowding. This is significant because overcrowding is linked to **increased health risks, reduced educational outcomes for children, and greater strain on household relationships**, all of which can impact long-term stability and well-being. However, several communities reported higher levels of severe overcrowding, including Berlin (3.9%), Pocomoke City (3.6%), and Snow Hill (3.3%), suggesting localized pressure on the housing stock. In contrast, overcrowding was minimal or nonexistent in Ocean Pines, West Ocean City, and the County’s other unincorporated areas. These patterns reflect disparities in housing adequacy, with certain communities potentially facing affordability challenges or limited access to appropriately sized units. Reducing overcrowding in these areas may require targeted strategies to increase the availability of larger, more affordable homes.

Figure 11. Household Overcrowding Rates, 2023



Source: Five-Year American Community Survey; Matrix Design Group, Inc.

Note: “Overcrowded” households have between 1.01 and 1.50 occupants per room. “Severely overcrowded” households have 1.51 or more occupants per room.

Key Findings

- Worcester County's population reached 54,337 in 2024, a 4% increase from 2020.
- Berlin experienced the fastest relative growth among incorporated places, but Ocean Pines (an unincorporated Census-designated place) remained the largest community.
- Collectively, unincorporated areas accounted for 63% of the County's population in 2024.
- 23,827 households resided in Worcester County as of 2023, with household growth in recent years outpacing the statewide rate.
- The County's median age (50.7 in 2023) is significantly higher than the statewide median (39.3), with 28% of residents aged 65 or older.
- Educational attainment is uneven across communities; countywide, 33% of adults held a bachelor's degree or higher, nine percentage points below the statewide rate.
- Homeownership rates remained high (77% countywide in 2023) but varied substantially by place and demographic composition.
- Overcrowded households were more common in Berlin, Pocomoke City, and Snow Hill than in Ocean Pines and West Ocean City.

Implications

- The geographic distribution of growth highlights uneven development patterns across the County, impacting infrastructure demand, service provision, and land use.
- The County's aging population indicates increased demand for senior-friendly housing options, including assisted and independent living facilities, memory care, and modifications to facilitate aging in place.
- The coexistence of older populations in some areas and younger families in others may create divergent needs across communities, including differences in schooling, transportation, and housing preferences.
- Varying levels of educational attainment point to persistent socioeconomic disparities that may shape access to housing and employment.
- The geographic concentration of overcrowding in certain communities may indicate localized affordability pressures.



Economic & Workforce Profile

Worcester County's recent economic trends indicate both meaningful progress and persistent structural challenges. Incomes have grown at a faster pace than the state overall, helping to modestly narrow the gap between Worcester and higher-income jurisdictions. However, wide disparities remain across communities, income groups, and tenures. Renters and residents of lower-income areas continue to report significantly lower earnings, while many local jobs remain concentrated in lower-wage service industries. The County's tourism-driven economy, with its seasonal and hospitality-focused employment base, limits access to higher-paying jobs and contributes to uneven income growth. The following section examines these patterns in greater detail, drawing on household income distributions, poverty rates, and industry-level employment and wage statistics.

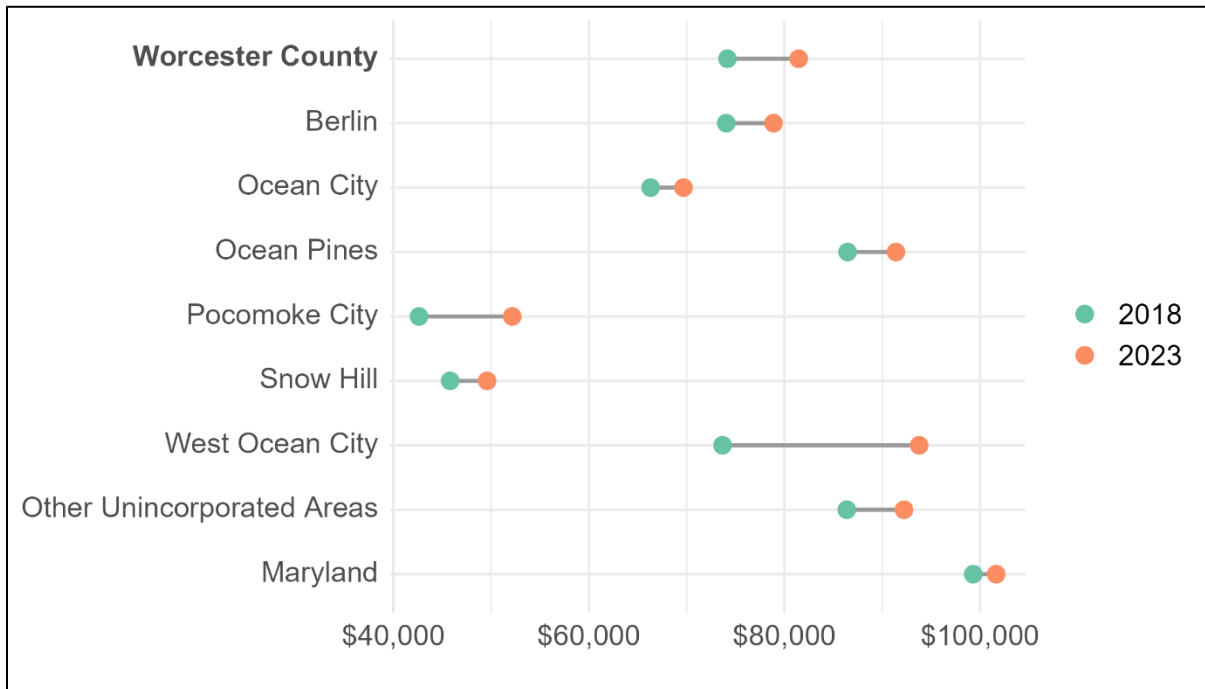


Household Income

In recent years, Worcester County households have seen meaningful growth in inflation-adjusted incomes (see Figure 12). Countywide, median household income rose from **\$74,169 in 2018 to \$81,455 in 2023**, a 10% increase that outpaced the statewide gain of just two percent over the same period. Under the widely accepted guideline that total housing costs (including utilities) should not exceed 30% of income, the median Worcester household could not afford to spend more than \$2,036 per month. While Worcester’s median income remains significantly below the Maryland median of \$101,652, the County’s stronger recent growth has served to modestly narrow the gap. This income disparity is largely driven by structural economic differences: many Maryland residents live in or commute to high-wage job centers like Washington, D.C., and Baltimore, whereas Worcester County has a tourism-driven economy with a high share of seasonal and service-sector employment.

Income levels within the County also vary considerably. West Ocean City saw the largest increase in median household income (27%), which reached **nearly \$94,000** in 2023, while Pocomoke City experienced a notable 22% gain, despite continuing to report among the lowest median incomes in the County. Higher-income areas such as Ocean Pines and other unincorporated communities maintained relatively strong positions, while Ocean City posted the smallest increase (5%), indicating more modest income growth in one of the County’s major employment centers. These disparities have important implications for housing affordability and demand, as lower-income communities may continue to face challenges accessing quality housing, while higher-income areas may see increased pressure on prices and competition for limited supply.

Figure 12. Real Median Household Income, 2018 & 2023



Source: Five-Year American Community Survey; Matrix Design Group, Inc.

Note: Values are adjusted for inflation to constant 2023 dollars.

Table 3 presents the distribution of household income across Worcester County, offering additional context for affordability and economic mobility. About nine percent of households in the County earned less than \$20,000 annually—a rate consistent with the state overall—but this share is significantly higher in communities like Pocomoke City and Snow Hill. Another 22% of households fell into the \$20,000-to-\$49,999 range, implying that nearly one in three households earned under \$50,000. About half of households reported incomes between \$50,000 and \$99,999, suggesting a **strong base of middle-income earners** who are likely to drive demand for moderately priced housing. **But only 20% of Worcester County households earned \$150,000 or more, compared to 32% statewide.** These higher-income households are most concentrated in West Ocean City, pointing to geographic disparities in income that have direct implications for housing market dynamics and equity.

Table 3. Household Income Distribution, 2023

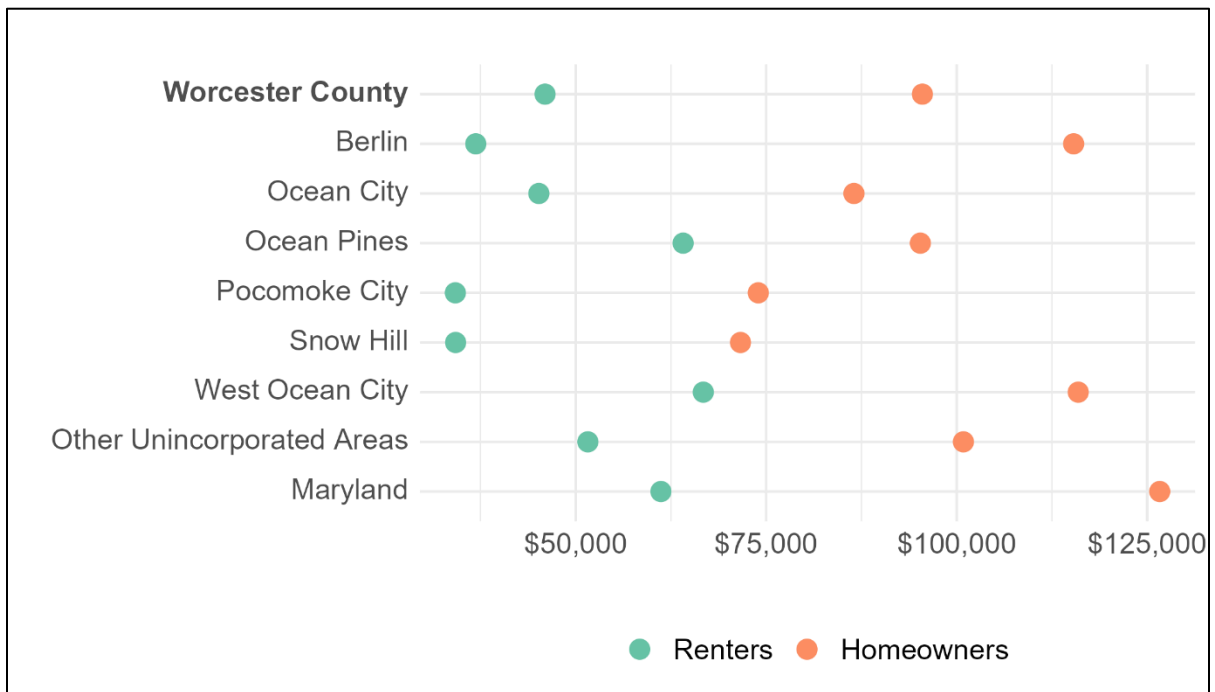
Region	Less than \$20,000	\$20,000-\$34,999	\$35,000-\$49,999	\$50,000-\$74,999	\$75,000-\$99,999	\$100,000-\$149,999	\$150,000 or more	Total
Worcester County	2,071	2,674	2,627	3,546	3,194	4,909	4,806	23,827
Berlin	134	335	160	193	297	385	376	1,880
Ocean City	374	438	471	768	497	597	727	3,872
Ocean Pines	239	355	671	1,020	1,021	1,263	1,143	5,712
Pocomoke City	258	353	242	244	230	313	156	1,796
Snow Hill	167	190	117	124	88	177	81	944
West Ocean City	111	273	247	303	244	399	658	2,235
Other Unincorporated Areas	788	730	719	894	817	1,775	1,665	7,388
Maryland	210,260	167,023	183,996	307,754	280,693	450,932	738,852	2,339,510

Source: Five-Year American Community Survey; Matrix Design Group, Inc.

Figure 13 compares median household income by tenure, highlighting the economic gap between homeowners and renters across Worcester County. Countywide, homeowners had a median income of \$95,497—about **double that of renters**, who reported a median household income of \$45,977. To limit monthly housing costs to less than 30% of household income, the median renter household should ideally not have spent more than \$1,149 on rent. Worcester’s homeowner-renter income gap mirrored the state-level disparity but was more pronounced in certain communities. In Berlin, for example, homeowners typically earned \$115,347, roughly \$78,500 more than the town’s median renter household income. In contrast, median renter incomes in Snow Hill, Pocomoke City, and Berlin were all below \$37,000, signaling an elevated risk of affordability challenges and potential displacement pressures. Ocean Pines stands out as the only community where renter incomes (\$64,100) approached those of homeowners (\$95,230), likely due to its relatively affluent and retirement-oriented population. These disparities reinforce the need for a diverse range of rental housing options, particularly in lower-income communities, and are indicative of broader inequities in access to stable, higher-paying employment and long-term wealth-building opportunities through homeownership.

THE HOMEOWNER-RENTER INCOME GAP IS PARTICULARLY PRONOUNCED IN BERLIN, TOTALING NEARLY \$80,000

Figure 13. Median Household Income by Tenure, 2023

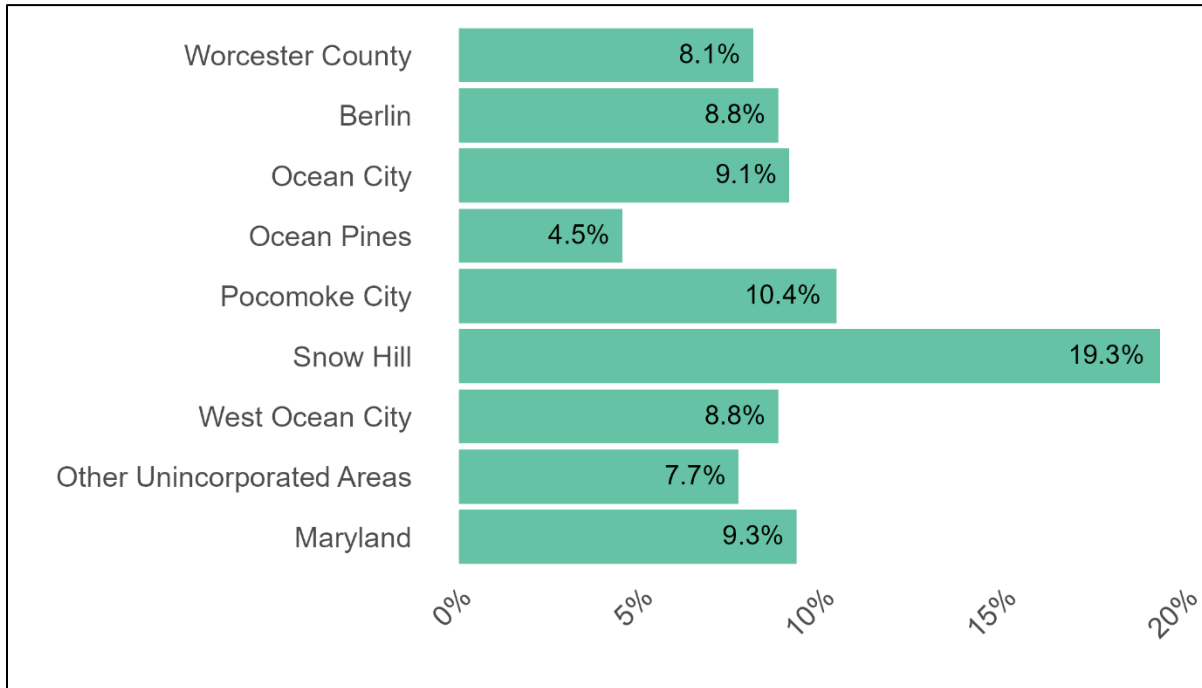


Source: Five-Year American Community Survey; Matrix Design Group, Inc.

Poverty

Figure 14 presents individual poverty rates across Worcester County, using thresholds defined by the U.S. Census Bureau that vary based on household size and composition. For reference, the 2023 ACS poverty threshold for a family of four was approximately \$31,500. Overall, **8.1% of the County's residents lived below the poverty line**. This rate was slightly below the statewide average of 9.3%, even though Worcester's median household income is significantly lower. The seemingly conflicting findings may be due in part to the County's older population, many of whom rely on retirement income that places them just above the poverty threshold. Snow Hill reported the **highest poverty rate at 19.3%**, followed by Pocomoke City at 10.4%, while Ocean Pines had the lowest at just 4.5%. These conditions highlight the importance of preserving and expanding deeply affordable housing options, particularly in communities where poverty is more concentrated and residents are more likely to face housing insecurity.

Figure 14. Individual Poverty Rate, 2023



Source: Five-Year American Community Survey; Matrix Design Group, Inc.

Note: Individual poverty status is based on family income relative to federal poverty thresholds, which vary by family size and composition. For reference, the poverty threshold for a family of four was \$31,500 in the 2023 ACS.

Economic Structure by Sector

Table 4 presents data on the number of business establishments, total employment, and average annual earnings by industry sector in Worcester County. The County's economy is heavily service-oriented, with *Accommodation and Food Services* standing out as the dominant sector. In 2024, it accounted for **32% of all jobs** (8,330 employees) and nearly 500 establishments, yet offered relatively low average earnings of just \$32,924, consistent with the seasonal, tourism-driven nature of this sector. *Retail Trade is another major source of jobs*, with 374 establishments and 3,902 employees, but similarly low wages, averaging \$36,245 annually. Together, these sectors highlight the prevalence of low- to moderate-wage employment that shapes the County's housing needs and affordability challenges.

Several other sectors contribute to the local economy with higher earnings but employ a smaller share of the workforce. *Health Care and Social Assistance*, for example, provided 2,390 jobs across 155 establishments, with average earnings of \$60,185. *Educational Services and Professional, Scientific, and Technical Services* offer comparable pay, on average—\$61,771 and \$61,104, respectively—but supported relatively modest numbers of jobs (1,708 and 1,003). The highest-paying sectors—*Information, Utilities, and Finance and Insurance*—typically offered annual earnings above \$83,000 but collectively employed just 556 people, or 2% of the workforce. Overall, Worcester County's 2,455 establishments supported 25,829 jobs, with **average annual earnings of \$45,653**. This employment profile underscores the importance of ensuring that housing remains affordable to workers across a wide range of income levels, particularly those concentrated in the County's largest—but lower-wage—sectors.

WORCESTER HAS A SERVICE-ORIENTED ECONOMY, WITH ACCOMMODATIONS AND FOOD SERVICES AND RETAIL TRADE ACCOUNTING FOR NEARLY HALF OF TOTAL EMPLOYMENT.

Table 4. Worcester County Economic Profile, 2024

Sector	Establishments		Employment		Average Annual Earnings
	Count	%	Count	%	
Information	24	1%	114	0%	\$88,697
Utilities	5	0%	12	0%	\$86,384
Finance and Insurance	90	4%	430	2%	\$83,666
Management of Companies and Enterprises	11	0%	101	0%	\$68,229
Public Administration	37	2%	1,656	6%	\$62,308
Educational Services	36	1%	1,708	7%	\$61,771
Professional, Scientific, and Technical Services	238	10%	1,003	4%	\$61,104
Health Care and Social Assistance	155	6%	2,390	9%	\$60,185
Wholesale Trade	69	3%	294	1%	\$59,042
Manufacturing	57	2%	786	3%	\$57,716
Transportation and Warehousing	52	2%	246	1%	\$56,694
Construction	224	9%	1,211	5%	\$54,559
Administrative and Support and Waste Management and Remediation Services	115	5%	783	3%	\$50,291
Real Estate and Rental and Leasing	186	8%	721	3%	\$44,133
Other Services (except Public Administration)	171	7%	796	3%	\$38,850
Arts, Entertainment, and Recreation	71	3%	1,341	5%	\$37,797
Retail Trade	374	15%	3,902	15%	\$36,245
Accommodation and Food Services	492	20%	8,330	32%	\$32,924
Unclassified	10	0%	5	0%	\$18,667
Agriculture, Forestry, Fishing and Hunting	36	1%	0	0%	—
Mining, Quarrying, and Oil and Gas Extraction	2	0%	0	0%	—
Total	2,455	100%	25,829	100%	\$45,653

Source: Bureau of Labor Statistics Quarterly Census of Employment and Wages; Matrix Design Group, Inc.
 Note: Annual average earnings are reported in current (2024) dollars. Employment reflects the job location, not where workers live, and includes full- and part-time positions covered by Unemployment Insurance. Self-employed individuals, informal workers, and active-duty military are excluded. Wages include regular pay, overtime, bonuses, tips, and back wages, but not employer-paid benefits. Weekly wages were annualized. Some sectors may show establishments without employees due to reliance on self-employed operators, seasonal closures, or periods of inactivity.

Key Findings

- Worcester County's inflation-adjusted median household income has outpaced Maryland's statewide growth in recent years, reaching \$81,455 in 2023.
- Despite recent gains, Worcester remained less affluent than the state overall, which posted a 2023 median household income of \$101,652.
- The County has a strong middle-class base, with about half of households reporting incomes between \$50,000 and \$99,999.
- The median owner-occupied household reported an annual income of \$95,497, more than twice the sum earned by its renter-occupied counterpart (\$45,977); the median renter household could afford to spend no more than \$1,149 on monthly rent and utilities.
- While the County's poverty rate (8.1%) fell slightly below the statewide average, rates were elevated in communities such as Snow Hill and Pocomoke City.
- The local economy is service-oriented and seasonal; *Accommodation and Food Services* alone accounted for 32% of all jobs but offered average annual earnings of just \$32,924.

Implications

- Geographic differences in income growth and household earnings reflect uneven economic opportunity and may contribute to localized pressures on housing affordability.
- The wide gap in earnings between renters and homeowners, particularly in towns like Berlin and Snow Hill, suggests limited renter purchasing power and greater exposure to cost burdens.
- Areas with higher poverty rates are likely to face greater housing insecurity and displacement risks.
- Because the County's employment base is heavily concentrated in lower-wage sectors, many workers remain at risk of being priced out of the local housing market, particularly in high-demand areas.
- The limited scale of high-wage employment reinforces broader affordability challenges and may constrain long-term income mobility for residents employed in the dominant service-sector economy.



Housing Stock

Worcester County's housing stock reflects a distinctive blend of high-density seasonal development and lower-density single-family homes, shaped by its tourism-driven economy and varied settlement patterns.



Between 2018 and 2023, the share of single-family detached homes increased modestly from **41% to 43%**, though this shift may reflect sampling variability more than a true structural change. At the local level, however, more meaningful changes occurred: Berlin saw a decline in the share of detached homes, suggesting modest diversification, while Snow Hill and unincorporated areas experienced growth in detached housing. As of 2023, the County had **56,585 housing units, with multifamily structures heavily concentrated in Ocean City** and single-family homes dominant in most other areas. Bedroom size distributions also varied: Ocean Pines and West Ocean City had large shares of four-bedroom homes, while Ocean City was characterized by smaller units geared toward vacation and seasonal use. Vacancy patterns further underscore Worcester's bifurcated housing market, with tight homeowner and rental conditions in most communities and high seasonal vacancy in Ocean City. **More than half of the County's housing stock** is classified as "vacant for seasonal, recreational, or occasional use," highlighting the limited availability of year-round housing for permanent residents and workers.

Size and Composition

Worcester County’s housing stock is characterized by a large share of single-family detached homes and a relatively high number of multi-unit structures concentrated in Ocean City (see Table 5). As of 2023, the County had **56,585 housing units**, 43% of which were single-family detached homes. Thirty-three percent were located in buildings with 10 or more units, a distribution that reflects the influence of Ocean City’s high-density, tourism-oriented development. Ocean City alone contained **95% of all large multifamily units** in the County, with 17,696 units in buildings with 10 or more units. In contrast, other communities such as Ocean Pines and the County’s rural unincorporated areas remain dominated by single-family detached homes, which accounted for over 80% of the housing stock in both areas. Mobile homes are also present in some parts of the County, particularly in rural areas, with 1,231 units located in unincorporated communities besides the major census-designated places. Compared to the state overall, Worcester County has a **lower share of single-family attached housing** and a **higher proportion of seasonal, high-density development**, underscoring the unique composition of its housing market.

Table 5. Housing Stock Size and Composition, 2023

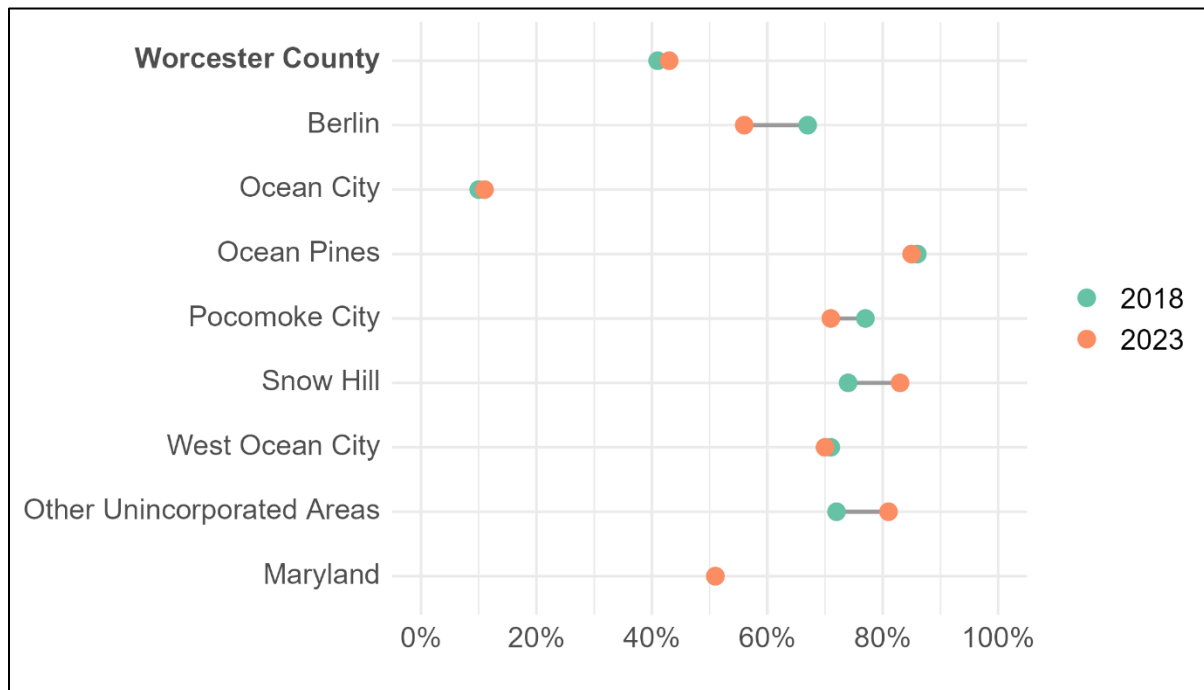
Region	Single-family, detached	Single-family, attached	2 to 4 units	5 to 9 units	10 or more units	Mobile home or other	Total
Worcester County	24,120	5,586	2,239	3,218	18,539	2,883	56,585
Berlin	1,131	261	168	145	302	0	2,007
Ocean City	3,145	3,626	1,736	2,641	17,696	990	29,834
Ocean Pines	7,655	664	59	29	164	399	8,970
Pocomoke City	1,445	190	123	136	147	0	2,041
Snow Hill	851	10	30	28	112	0	1,031
West Ocean City	2,186	417	76	144	58	263	3,144
Other Unincorporated Areas	7,707	418	47	95	60	1,231	9,558
Maryland	1,306,311	537,333	93,299	130,416	444,702	33,471	2,545,532

Source: Five-Year American Community Survey; Matrix Design Group, Inc.

Between 2018 and 2023, the share of single-family detached homes in Worcester County *increased slightly from 41% to 43%* (see Figure 15). This small shift may be a statistical artifact rather than evidence of a broader change in the County's housing development patterns. At the local level, however, some communities experienced more meaningful changes. In Berlin, the detached share fell from 67% to 56%, suggesting a modest diversification of the housing stock. In contrast, Snow Hill and the County's other unincorporated areas saw nine percentage point increases in the share of detached homes, indicating a shift toward lower-density housing types in those areas. Other communities, including Ocean City, Ocean Pines, and West Ocean City, witnessed relatively little change over the period. Compared to Maryland as a whole, where the detached share remained steady at 51%, Worcester County continues to exhibit a distinctive pattern: high-density housing concentrated in Ocean City, and predominantly detached homes throughout much of the rest of the County.

WORCESTER HAS A SERVICE-ORIENTED ECONOMY, WITH ACCOMODATIONS AND FOOD SERVICES AND RETAIL TRADE ACCOUNTING FOR NEARLY HALF OF TOTAL EMPLOYMENT.

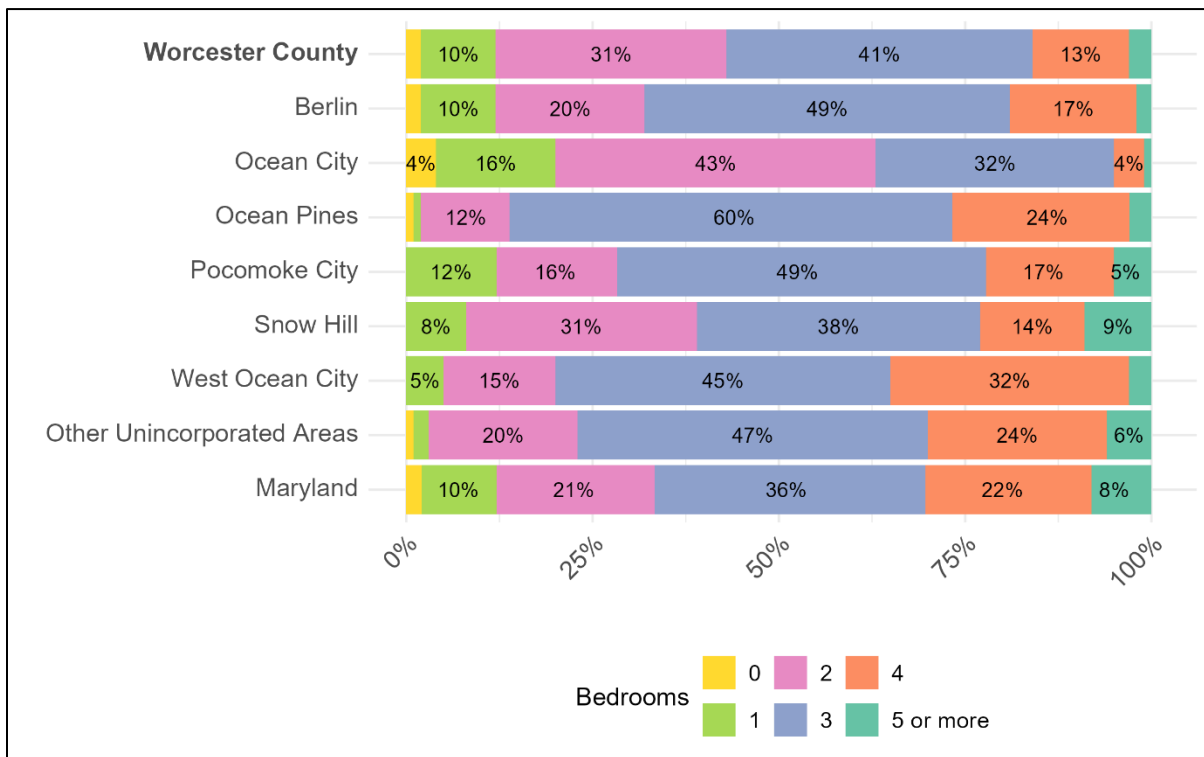
Figure 15. Single-Family Detached Share of Housing Stock, 2018 & 2023



Source: Five-Year American Community Survey; Matrix Design Group, Inc.

Figure 16 illustrates the distribution of housing units by number of bedrooms across Worcester County, its municipalities, and Maryland as a whole. Countywide, *the most common housing size is three bedrooms* (41%), followed by two-bedroom units (31%) and four-bedroom units (13%). Several communities stand out for their distinctive bedroom profiles. Ocean Pines and West Ocean City, for example, have *notably high shares of large homes*: 24% and 32% of units, respectively, have four bedrooms, compared to just 22% statewide. In contrast, Ocean City has a concentration of smaller units: 63% of homes had two bedrooms or fewer, reflecting the town’s high share of vacation properties and workforce housing geared toward seasonal employees. Pocomoke City, Berlin, and other unincorporated areas are both skewed toward mid-sized homes, with roughly half of units having three bedrooms. Across all geographies, five-bedroom or larger units remain a small share of the housing stock, with the highest proportion in Snow Hill (9%).

Figure 16. Bedroom Composition of Housing Stock, 2023

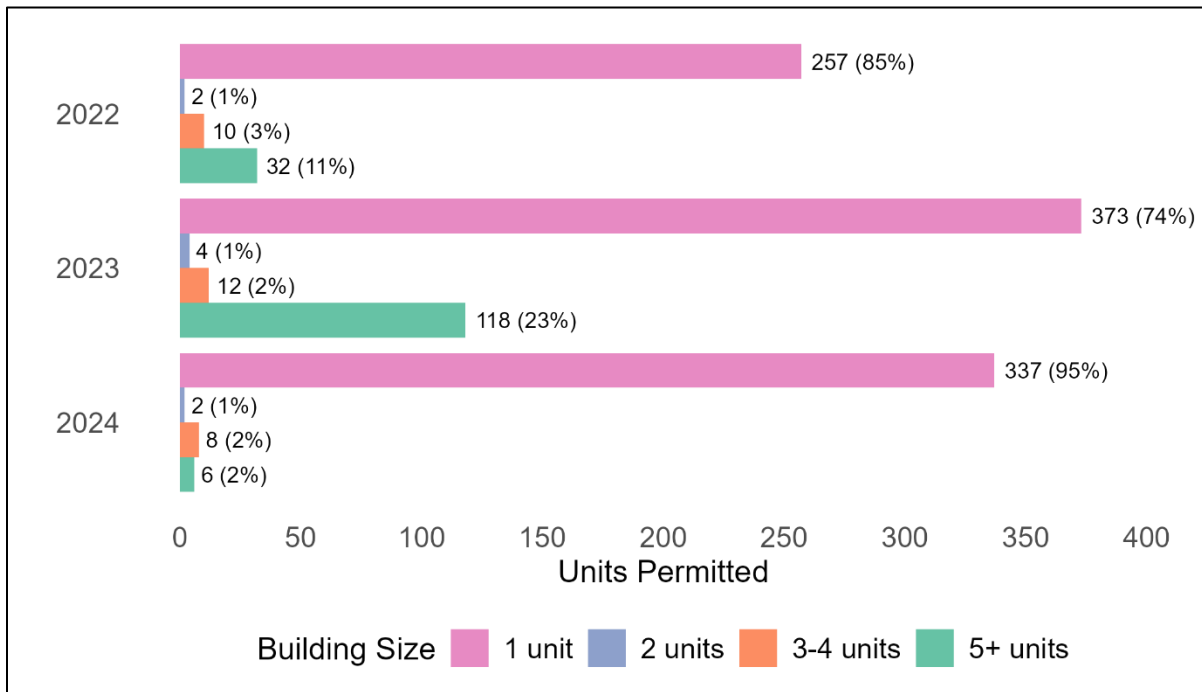


Source: Five-Year American Community Survey; Matrix Design Group, Inc.

Permitting

Figure 17 displays residential permitting trends by building size in Worcester County between 2022 and 2024. These figures provide a snapshot of the development pipeline, denoting the number of new housing units authorized for construction each year. Permits for *single-family homes consistently accounted for the vast majority of permitted units*, making up 85% of all units in 2022, 74% in 2023, and 95% in 2024. Higher-density development was more prominent in 2023, when permits were issued for 118 units in buildings with five or more units, representing nearly one-quarter of that year’s total. Permits for duplexes and small multifamily buildings remained rare throughout the period, with fewer than 20 units authorized annually. Overall, these trends indicate that Worcester County’s housing pipeline is heavily oriented toward single-family construction, with limited planned multifamily development.

Figure 17. Housing Units Permitted across Worcester County, 2022-2024



Source: U.S. Census Building Permits Survey; Matrix Design Group, Inc.

Notes: The unit of analysis is the number of housing units permitted. Estimates are reported values, not imputed values.

ACROSS WORCESTER COUNTY, 353 UNITS WERE PERMITTED IN 2024, REPRESENTING ABOUT 0.6% OF THE TOTAL STOCK.

Vacancies

Figure 18 presents homeowner vacancy rates, which remained low across most of Worcester County through 2023.² The countywide rate declined slightly from **3.3% in 2018 to 2.5% in 2023**, indicating a tightening of the for-sale market. For context, homeowner vacancy rates below 2% are typically considered indicative of strong demand and limited supply, while rates above 2% may suggest more availability. However, these figures are based on five-year ACS estimates, which can obscure short-term market shifts and are subject to greater uncertainty in smaller communities. As a result, vacancy rates, particularly very high or very low values, should be interpreted with caution. Vacancies were most common in Ocean City, though the rate dropped notably from 9.6% to 5% over the period. Pocumoke City and West Ocean City also recorded elevated rates in 2023, at over six percent. Berlin reported no homeowner vacancies in 2023, but this estimate could be a statistical artifact resulting from sample size limitations. In Worcester County's other unincorporated areas, which includes communities such as Bishopville, Girdletree, Newark, Stockton, and Whaleyville, the homeowner vacancy rate fell to below one percent in 2023.

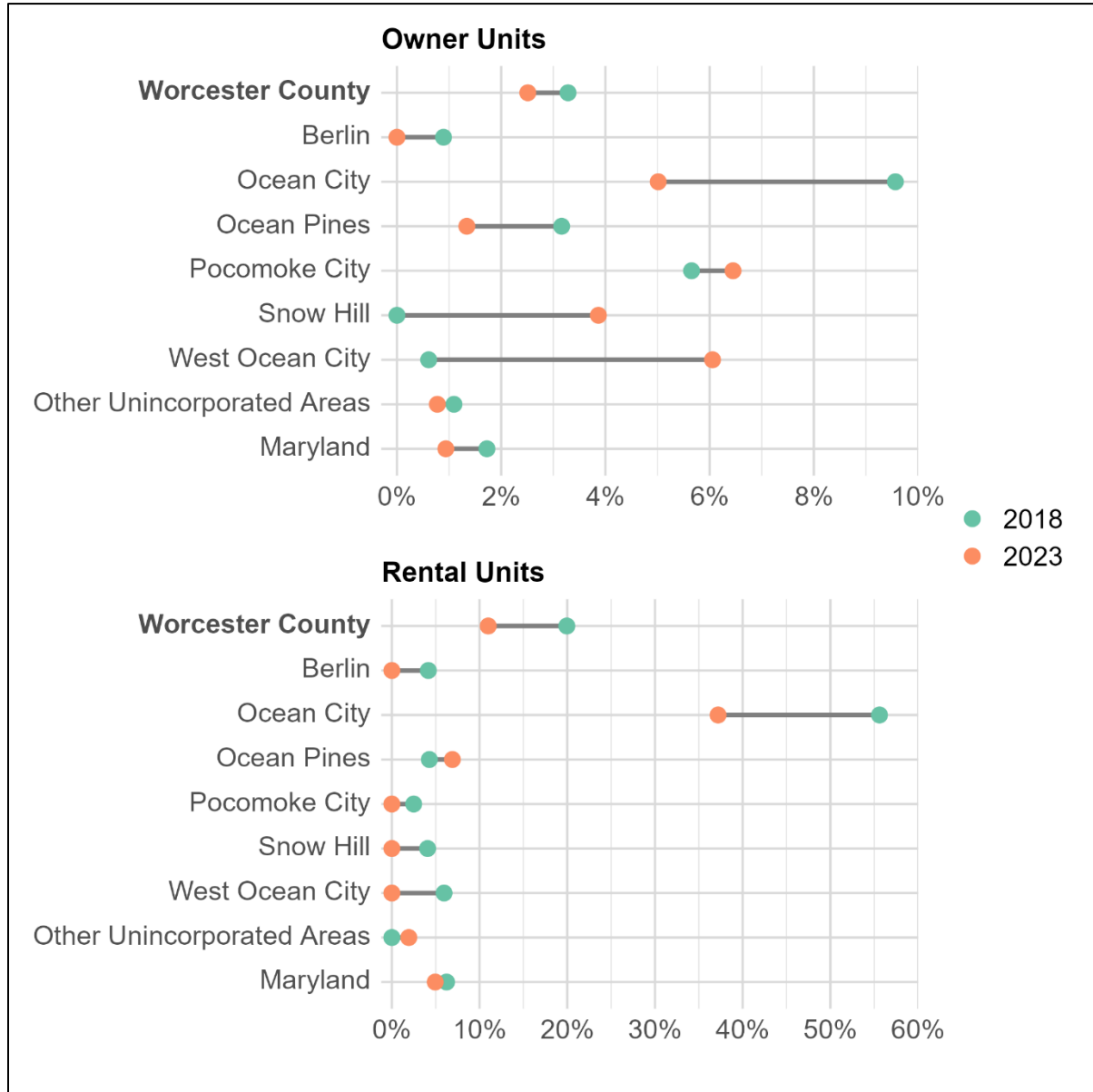
In contrast, rental vacancy rates varied widely across the County and were significantly higher in some areas. Worcester County's overall rental vacancy rate **declined from 20% in 2018 to 11% in 2023**. Ocean City remained a major outlier, with its rate dropping from 56% to 37%. Although units categorized as "seasonal, recreational, or occasional use" were excluded from this analysis, Ocean City's elevated vacancy rate likely reflects the seasonal nature of its housing stock and the timing of ACS data collection. Many rental units in Ocean City serve temporary or seasonal workers or are rented out on a short-term basis during peak tourism months. These types of properties, particularly multifamily buildings or apartments used for workforce housing, may not be classified as "seasonal use" in ACS data if they are intended for year-round occupancy, even if they sit vacant between seasonal leases. As a result, they may appear in the data as "vacant for rent" despite functioning more like temporary or seasonal housing in practice.

Outside of Ocean City, most communities reported low rental vacancy rates by 2023, with Berlin, Pocumoke City, Snow Hill, and West Ocean City all showing no rental vacancies. Similarly, in the County's other unincorporated areas, just two percent of units were vacant and available for rent. The only notable increase occurred in Ocean Pines, where the vacancy rate rose from four percent to seven percent. For context, a rental vacancy rate of about seven to eight percent is typically considered healthy, allowing for turnover while maintaining adequate availability. Rates significantly below that threshold may indicate tight rental conditions, where

² Accurately measuring vacancy rates is inherently difficult, especially in communities with seasonal, transitional, or informal housing patterns. The U.S. Census Bureau's ACS data capture vacancy status based on point-in-time surveys conducted over a rolling five-year period, which can blur short-term fluctuations and obscure seasonal effects. Other data sources, like the Valassis Residential Vacancy List—based on undeliverable mail and address activity—may capture vacancy trends more responsively but are also subject to classification error and shifting vendor methodologies. For example, Valassis data show that Worcester County's overall residential vacancy rate remained relatively stable around five percent between 2020 and 2023, before abruptly dropping to just over one percent in 2024. This sharp decline may reflect methodological changes, address removals, or a lagged response to tightening market conditions that are also observed in ACS trends, particularly the countywide drop in "vacant for rent" rates from 20% in 2018 to 11% in 2023. Taken together, these sources suggest a sustained tightening of available housing in Worcester County, even if exact vacancy levels differ due to definitional and measurement inconsistencies.

demand exceeds supply. Overall, the data suggests *tightening rental markets* in most parts of the County, with Ocean City's seasonal dynamics standing apart from broader trends.

Figure 18. For-Sale and For-Rent Vacancy Rates, 2018 & 2023

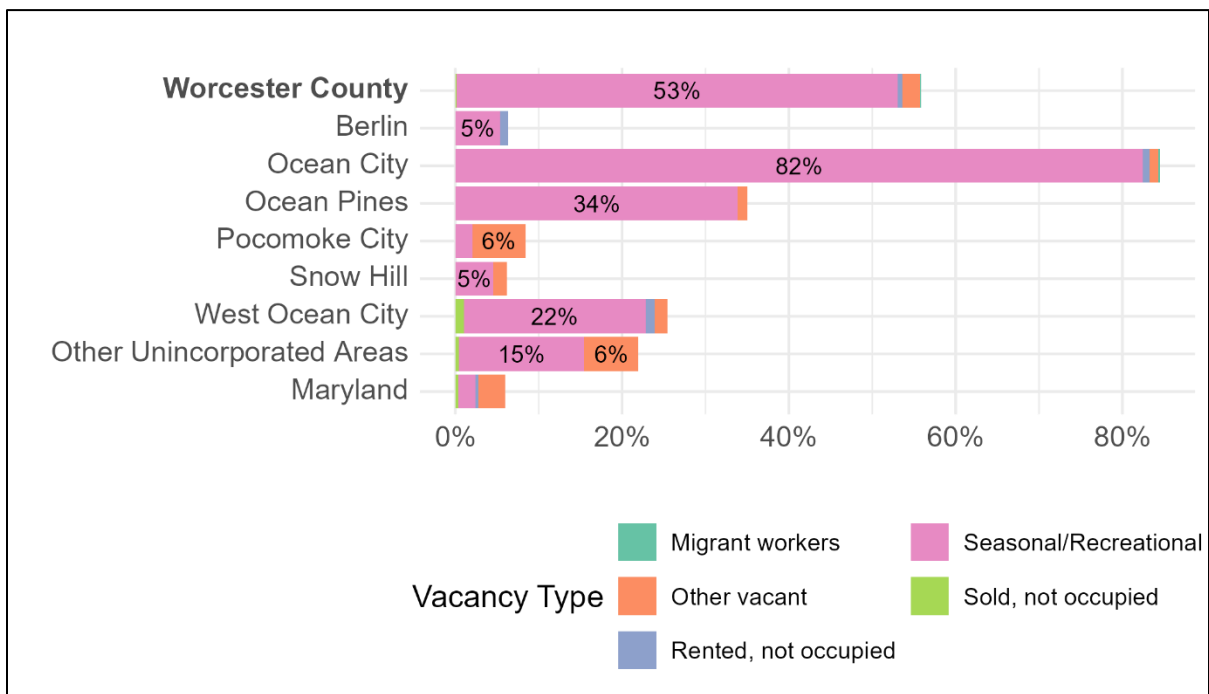


Source: Five-Year American Community Survey; Matrix Design Group, Inc.

Note: Rental and ownership vacancy rates are calculated by dividing the number of vacant units for rent or for sale by the sum of occupied and corresponding vacant units.

Figure 19 demonstrates that a significant share of Worcester County’s housing stock is classified as vacant for seasonal, recreational, or occasional use. According to the latest ACS data, *more than 53% of all housing units in the County—nearly 30,000 homes—were vacant for this reason* at the time of data collection. This figure is heavily driven by Ocean City, where 82% of all housing units fell into this category, signaling the city’s role as a regional hub for vacation and second homes. Elevated seasonal vacancy rates were also observed in Ocean Pines (34%), West Ocean City (22%), and other unincorporated areas (15%), underscoring the County’s unique reliance on tourism and short-term residency. These patterns have important implications for housing planning: although Worcester may appear overbuilt on paper, a large portion of the housing stock is not available for full-time, year-round occupancy, which can constrain supply for permanent residents and seasonal workers alike. In contrast, units categorized as “other vacant”—including those that are in foreclosure, under repair, abandoned, or otherwise unavailable for rent or sale—make up just 2.2% of the countywide housing stock, but are concentrated in areas like Pocomoke City and other unincorporated communities, where they represent roughly six percent of units. The “other vacant” category is inherently ambiguous, often capturing units in poor physical condition or in legal limbo, and may indicate localized challenges related to disinvestment, code enforcement, or lack of market demand.

Figure 19. Other Vacancy Types as a Share of Total Housing Stock, 2023



Source: Five-Year American Community Survey; Matrix Design Group, Inc.

Note: Percentages reflect the share of total housing units (both occupied and unoccupied). While these units are unoccupied, they are technically unavailable for rent or sale and should not be interpreted as available housing stock.

Key Findings

- Single-family detached homes constituted 43% of Worcester County's housing stock in 2023, about eight percentage points below the statewide rate.
- The County's apartments are heavily concentrated in Ocean City, while over 80% of the housing stock in Ocean Pines and other unincorporated areas consists of single-family detached homes.
- Permitting patterns continue to favor low-density development, with single-family homes accounting for 95% of permits issued in 2024.
- Countywide, 41% of homes had three bedrooms; larger homes are more prevalent in Ocean Pines and West Ocean City, while Ocean City is dominated by smaller units.
- Both homeowner and rental vacancy rates have declined meaningfully in recent years, signaling a tightening market.
- Roughly 82% of Ocean City's housing units were classified as vacant for seasonal, recreational, or occasional use.

Implications

- The spatial concentration of high-density and seasonal housing may influence access to year-round housing, infrastructure needs, and development pressures across different parts of the County.
- The predominance of larger homes in certain communities may constrain housing options for smaller households, which are expected to become more common as birth rates decline, and the population continues to age. Seniors seeking to downsize may face limited availability of smaller, lower-maintenance units suited to their needs.
- The high share of seasonally vacant homes, especially in coastal areas, limits the effective supply of housing for permanent residents and workers.
- Declining vacancy rates have contributed to increased demand-side pressure and rising costs.
- The concentration of seasonal housing near coastal employment centers suggests a mismatch between where jobs are located and where permanent residents can find available housing.



Rental Market



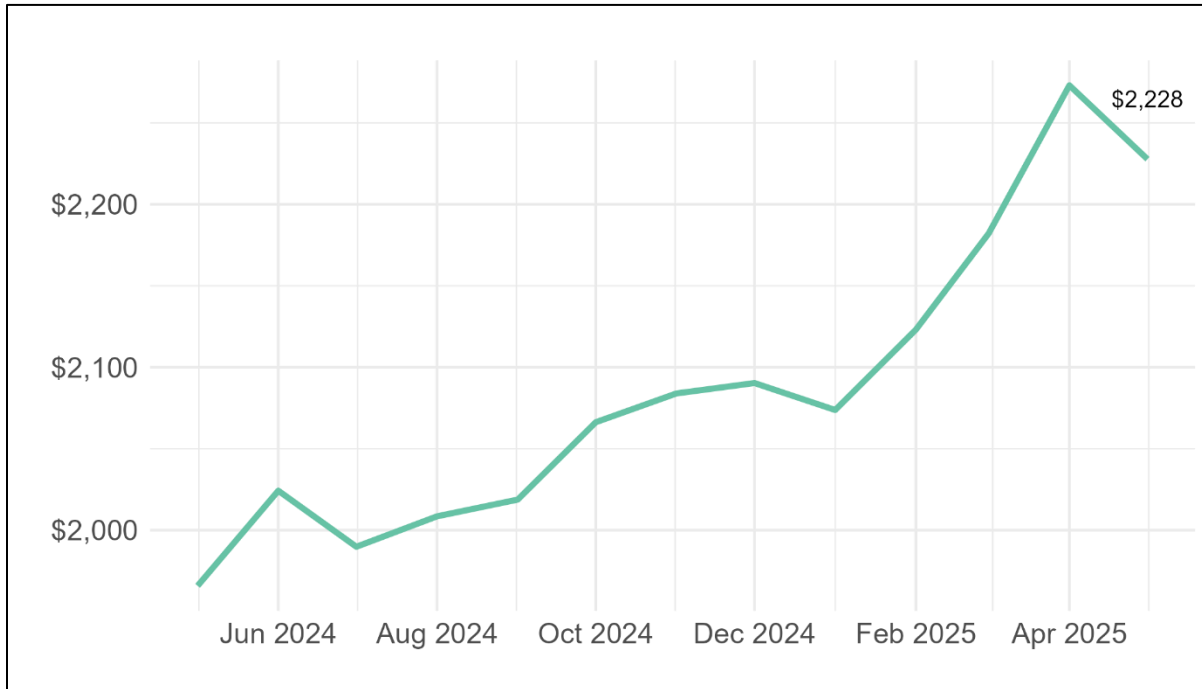
Rental housing in Worcester County has become increasingly out of reach. Between May 2024 and May 2025, countywide asking rents increased by **over 15% in real terms**, pushing typical rent levels well beyond what the majority of renter households can afford. Indeed, to

limit the typical unit to less than 30% of income, a household needs to earn about \$100,000. While some areas—like Pocomoke City—remain comparatively affordable, most communities offer few options for lower- and moderate-income renters. A household earning \$75,000, for example, could only afford **about 11% of current rental listings**. Not surprisingly, family-sized rentals are even less attainable: the average three-bedroom unit (including utilities) rents for over \$3,000 per month, requiring a household income of more than \$125,000. Rising rents have placed severe financial strain on the County's renters. According to the most recent data, over half of Worcester County renters are considered cost burdened, spending more than 30% of household income on monthly costs.

Rent Levels

Rents across Worcester County have climbed in real terms over the past year (see Figure 20). The Zillow Observed Rent Index (ZORI), a measure that tracks trends in listed rents for available rental units, was \$1,966 in May 2024 and rose steadily **to \$2,273 by April 2025**—an inflation-adjusted increase of **more than 15 percent**. Although the index declined slightly to \$2,228 in May 2025, rents remain significantly higher than one year earlier. When factoring in average monthly utility costs of \$271, a household would need to **earn at least \$99,960 annually** to keep combined rent and utilities below 30% of income, consistent with HUD guidelines.³ For context, the most recent data indicate that the median renter household in Worcester County earns about \$46,000.

Figure 20. Typical Real Asking Rent in Worcester County, May 2024–May 2025



Source: Zillow Observed Rent Index; Matrix Design Group, Inc.

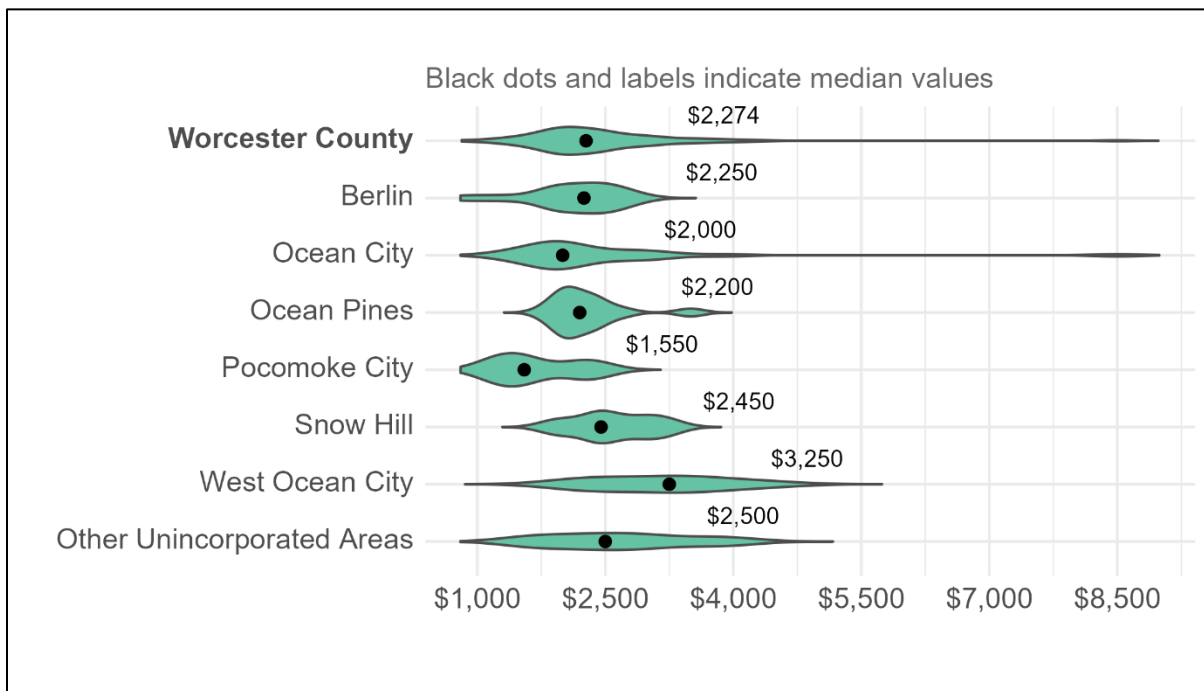
Note: All historical rent values were adjusted for inflation using the Consumer Price Index for All Urban Consumers (CPI-U), published by the U.S. Bureau of Labor Statistics. Rent estimates are based on Zillow’s Observed Rent Index (ZORI), a seasonally adjusted measure of typical asking rents. ZORI is calculated as the mean of listed rents between the 35th and 65th percentiles, to exclude outliers while remaining sensitive to market shifts. Zillow then applies a repeat-rent framework and weights listings with consistent histories more heavily. Utilities are excluded.

³ Utility costs were estimated using Five-Year 2023 Public Use Microdata Sample (PUMS) data from the U.S. Census Bureau. Matrix filtered the data to include only renter households in the region and calculated average monthly utility expenditures, including electricity, gas, water, and other fuels. These estimates were then adjusted to 2025 dollars using the Consumer Price Index (CPI) for Fuels and Utilities for U.S. Cities, published by the U.S. Bureau of Labor Statistics.

Figure 21 uses a violin plot to show how July 2025 asking rents vary across Worcester County, illustrating both the median rent and the distribution of listings. A violin plot makes it possible to visualize not just the typical rent in each area, but also how common different rent levels are. The wider the plot at a given rent level, the more listings fall around that price point. In Worcester County, **the median asking rent is currently \$2,274**. Some communities closely resemble the countywide market, such as Berlin (\$2,250) and Ocean Pines (\$2,200), while Snow Hill (\$2,450), West Ocean City (\$3,250), and the County's other unincorporated areas (\$2,500) are more expensive. These higher prices may be due to a mix of factors, including coastal proximity, newer or larger homes, and short-term rental demand that constrain long-term rental supply. West Ocean City's high median, in particular, reflects its appeal as a waterfront community with limited available inventory.

Relatively affordable areas include Ocean City and, especially, Pocomoke City. Beyond median values, the shape of each plot reveals differences in how rents are distributed. In Ocean Pines, the violin is particularly wide around the \$2,200 mark, indicating that most listings are tightly clustered near the median. By contrast, areas like Pocomoke City and West Ocean City display broader, more dispersed plots, suggesting a wider range of rent levels. This is significant because **areas with tightly clustered rents may offer fewer options across income levels**, while areas with **more dispersion are better positioned to meet diverse housing needs**.

Figure 21. Distribution of Asking Rents, July 2025



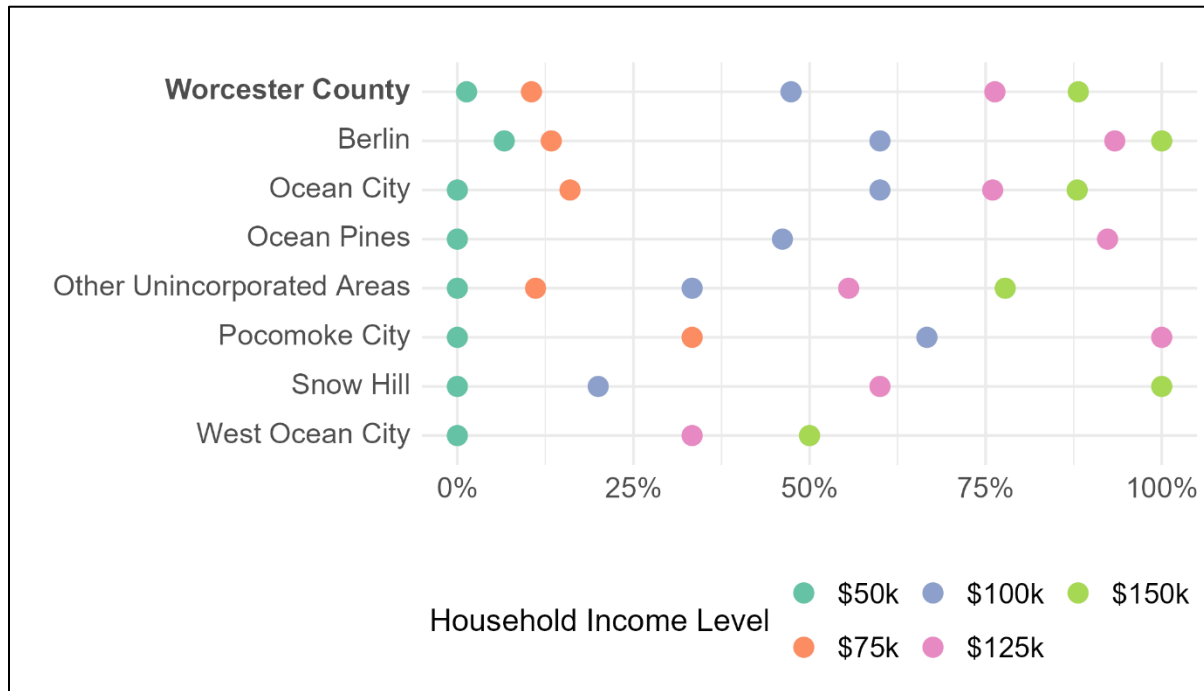
Source: Zillow; Apartments.com; Matrix Design Group, Inc.

Note: This violin plot shows the distribution of asking rents across different areas. The shape of each "violin" reflects how rents are spread out: the wider the plot at a given rent level, the more common that price is among recent listings. This type of plot provides more insight than a simple median or average, illustrating where rents are concentrated and how much variation exists within each area. The data are drawn from rental listings rather than leases, capturing advertised rents for available units.

Affordability

Figure 22 presents the percentage of affordable rental listings by household income level, based on the widely accepted standard that renters should spend no more than 30% of income on housing. Importantly, the estimates account for average utility costs. Countywide, **just 1% of rental listings were affordable at the \$50,000 income level**—the income range that includes most local renters, according to the latest ACS data. About 11% of listings were affordable at \$75,000, while 47% were accessible to households earning \$100,000. Pocomoke City offered the most affordable rental market, with one-third of listings within reach of households earning \$75,000. For lower- and moderate-income households, the rental landscape is far less favorable in places like West Ocean City and Snow Hill, where 67% and 40% of listings, respectively, required incomes above \$125,000. These figures stand in sharp contrast to the County’s estimated median renter household income of \$45,977, highlighting the affordability challenges many renters face, particularly in high-cost submarkets.

Figure 22. Share of Affordable Rental Listings by Household Income Level, July 2025



Source: Zillow; Apartments.com; Public Use Microdata Sample; Matrix Design Group, Inc.

Note: The dots denote the percentage of affordable rental listings at the corresponding household income level, based on the standard that monthly housing costs should represent less than 30% of income. Calculations account for utility costs, which were estimated for the region using the 2023 Five-Year PUMS and then adjusted for inflation to 2025 dollars. Utility costs were estimated separately by unit size. Average costs were estimated to be \$174 for a studio unit, \$177 for a one-bedroom unit, \$242 for a two-bedroom unit, \$330 for a three-bedroom unit, and \$396 for a four-bedroom unit.

Table 6 shows that asking rents are strongly related to unit size. Across Worcester County, average gross rent for a one-bedroom is \$1,918, requiring an annual household income of roughly \$76,705 to remain affordable under the 30% income rule. Two-bedroom units averaged \$2,341 (requiring \$93,631), while three-bedroom units commanded \$3,132 (requiring \$125,263). For households needing four or more bedrooms, the average rent was \$3,991, suggesting that a household has to earn nearly \$160,000 to avoid being cost burdened. These figures further underscore the affordability challenges facing renters, particularly families seeking larger units.

Table 6. Rental Affordability in Worcester County, July 2025

Bedroom Count	Average Gross Rent	Required Household Income
One	\$1,918	\$76,705
Two	\$2,341	\$93,631
Three	\$3,132	\$125,263
Four or more	\$3,991	\$159,658

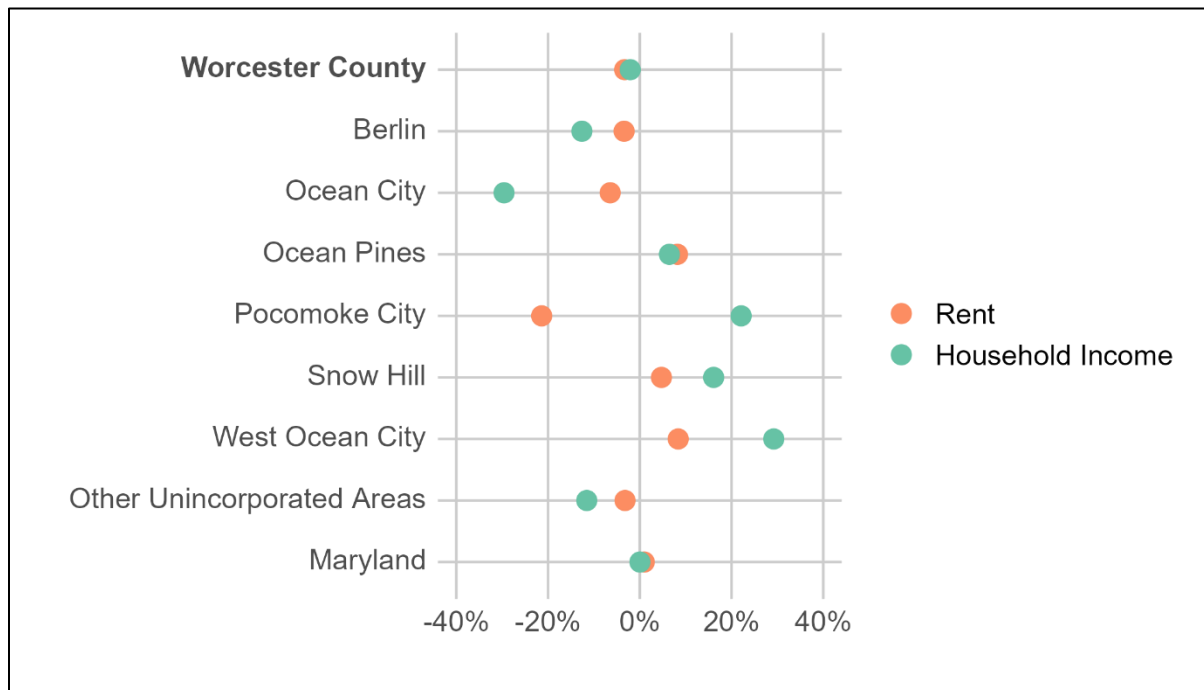
Source: Zillow; Apartments.com; Public Use Microdata Sample; Matrix Design Group, Inc.

Note: Average gross rent includes utility costs, which were estimated for the region using the 2023 Five-Year PUMS and then adjusted for inflation to 2025 dollars. Household income requirements were based on the standard guidance that monthly costs should account for less than 30% of income.

TO LIMIT AVERAGE GROSS RENT FOR A TWO-BEDROOM UNIT TO 30% OF INCOME, A HOUSEHOLD MUST EARN AT LEAST \$93,631—ROUGHLY DOUBLE THE MOST RECENT ESTIMATE OF MEDIAN RENTER HOUSEHOLD INCOME.

Figure 23 presents the percent change in real median gross rent and real median renter household income across between the periods covered by the most recent non-overlapping versions of the five-year ACS. The ACS estimates are used to ensure consistency between rent and income estimates and to minimize volatility in smaller areas, though they do come with limitations. Most notably, they do not fully capture more recent rent increases. Over this timeframe, both real rents and renter incomes in Worcester County overall remained essentially flat after adjusting for inflation. At the subcounty level, trends diverged. Pocomoke City, Snow Hill, and West Ocean City experienced notable gains in renter income that outpaced changes in rent, potentially reflecting the in-migration of higher-income renters or local economic improvements. In contrast, *Ocean City renters saw a 30% decline in real income* during the same period, raising concerns about affordability, especially as rents did not fall at a similar rate. This drop may be due to shifts in the renter population, such as more seasonal or service-sector workers occupying rental units, or broader changes in employment patterns following the COVID-19 pandemic.

Figure 23. 2018 to 2023 Relative Change in Real Median Gross Rent and Real Median Renter Household Income

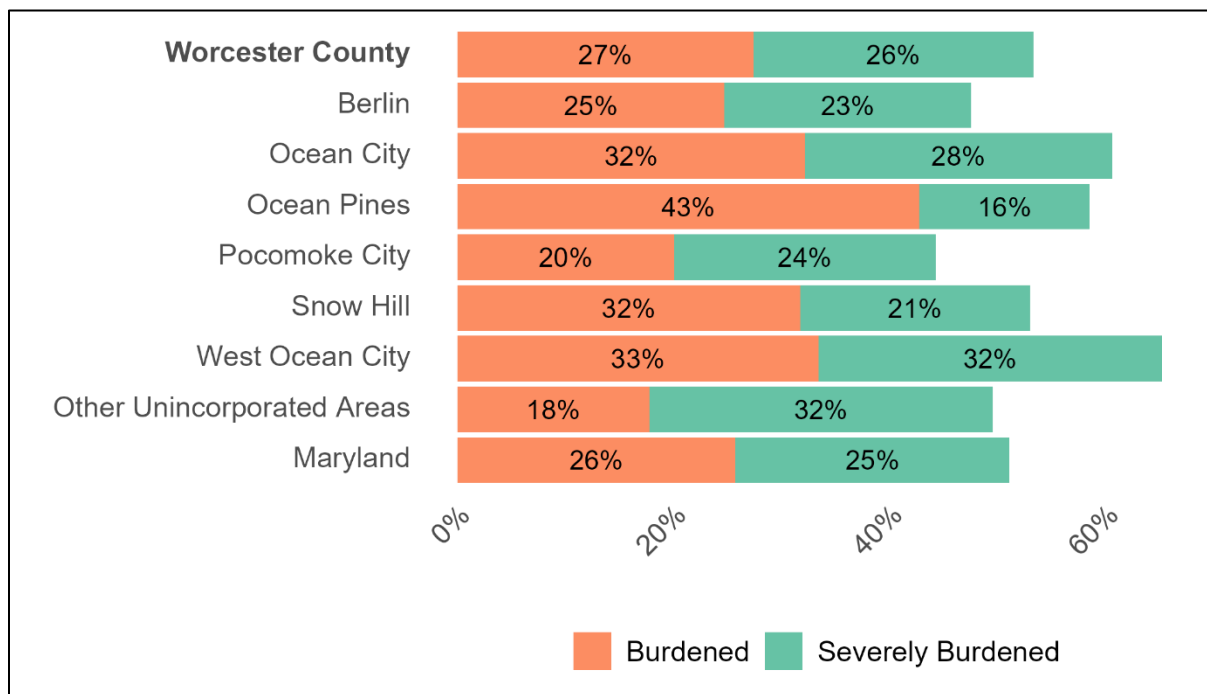


Source: Five-Year American Community Survey; Matrix Design Group, Inc.
 Note: Values reflect relative change from 2014-2018 and 2019-2023 periods.

Cost-Burdened Renters

Figure 24 illustrates the prevalence of housing cost burden among renter households in Worcester County. As of 2023, *just over half of all renters in the County were cost burdened*: 27% spent between 30% and 49.9% of income on rent, while another 26% were severely cost burdened, allocating at least half of their income to housing costs. This 53% combined burdened rate closely mirrors the statewide figure for Maryland, indicating that rental affordability pressures in Worcester are on par with broader state trends. Within Worcester County, *Ocean City and West Ocean City had the highest rates*, with 60% and 65% of renters, respectively, paying unaffordable shares of their income toward housing; elevated rent levels in these high-demand coastal areas are likely the culprit. In contrast, Pocomoke City reported a comparatively low cost-burdened rate of 44%, which may reflect both lower asking rents and a higher share of renters living in older, lower-cost units that are more likely to remain affordable to moderate-income households. Monitoring renter cost burden is especially important, as financially strained households have less income available for essentials like food, transportation, medicine, and childcare. Moreover, they are at greater risk of housing instability or homelessness in the face of unexpected financial shock.

Figure 24. Cost-Burdened Renter-Occupied Households, 2023



Source: Five-Year American Community Survey; Matrix Design Group, Inc.

Note: “Burdened” households spent from 30% to 49.9% of household income on gross rent, including utilities, compared to 50% or more for “severely burdened” households.

Key Findings

- As of May 2025, the typical rent in Worcester County was \$2,228, up from under \$2,000 a year earlier.
- To afford the typical rental unit, including estimated utilities, a household must earn at least \$99,960 annually.
- Median asking rents vary widely across the County, ranging from \$1,550 in Pocomoke City to \$3,250 in West Ocean City.
- Countywide, only 1% of rental listings are affordable to households earning \$50,000—an income level that includes most local renters.
- Just 11% of listings are affordable to households earning \$75,000, despite this income exceeding the County's 2023 median renter income of \$45,977.
- Average gross rents (including utilities) range from \$1,918 for one-bedroom units to \$3,991 for units with four or more bedrooms.
- As of 2023, 27% of renter households were cost burdened (spending 30 to 49.9% of income on rent), while an additional 26% were severely burdened (spending 50% or more).
- Ocean City, which contains the bulk of the County's rental housing stock, had among the highest cost-burdened rates at 60%.

Implications

- The limited affordability of rental units at prevailing income levels suggests that a large share of Worcester County renters face financial strain, with little room in their budgets for essential non-housing expenses such as food, transportation, medicine, and childcare.
- The high prevalence of cost-burdened renters raises concerns about housing instability, particularly for lower-income residents and those living in high-rent communities like Ocean City and West Ocean City.
- Households paying more than 50% of their income toward rent are at elevated risk of displacement, especially in the face of income shocks or rising housing costs.
- Wide geographic variation in rent levels may lead to increased economic sorting, where lower-income households are effectively priced out of higher-cost areas.
- Given the concentration of rental housing in Ocean City and its elevated cost-burdened rate, many year-round renters in the County's largest rental submarket may struggle to find stable, affordable housing.
- Households priced out of job centers may relocate to more affordable but less connected areas, increasing pressure on transportation systems and public infrastructure.



Homeownership Market

Worcester County's homeownership market has become increasingly difficult to access for the typical household, with rising home values far outpacing income growth and affordability benchmarks.



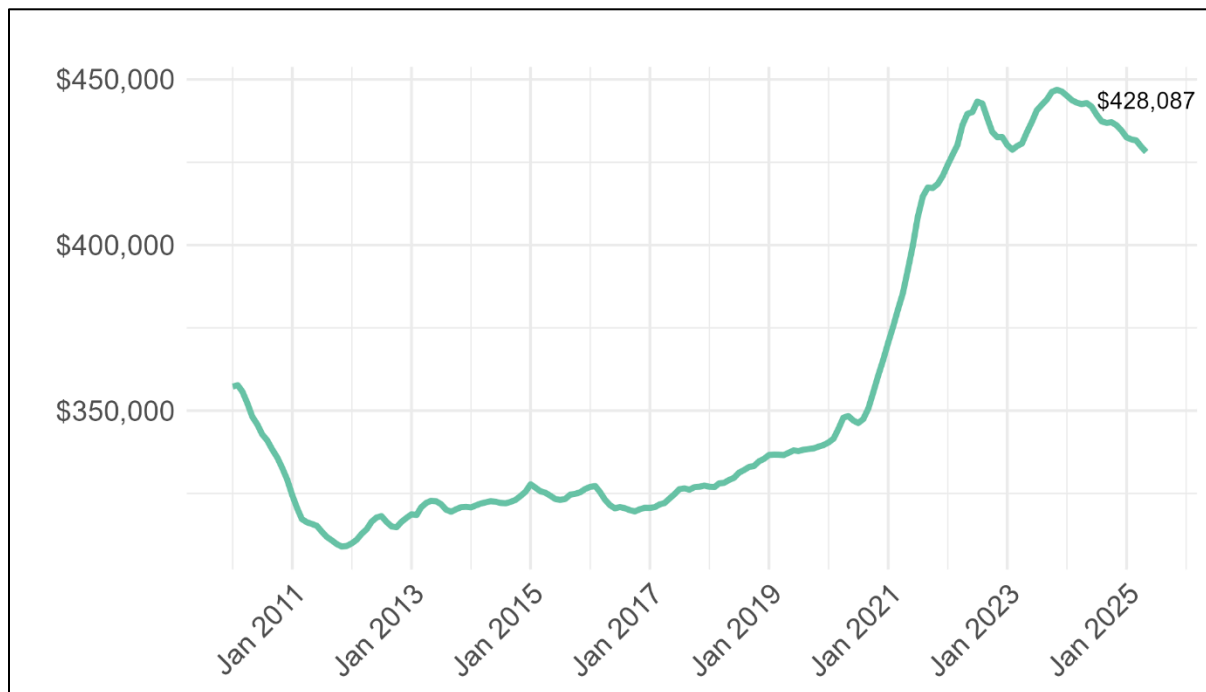
Inflation-adjusted home

values have climbed steadily since the pandemic, and the typical home, valued at **roughly \$428,000**, now requires an annual income of approximately **\$143,000** to be considered affordable, well above the County's median household income of \$81,455. Median sale prices vary widely by location and housing type, with higher-priced markets like Ocean City, West Ocean City, and unincorporated coastal areas contrasting sharply with more affordable communities such as Pocomoke City and Snow Hill. While countywide turnover remains low—likely due to elevated interest rates and the resulting “lock-in effect”—geographic disparities in affordability and homeowner cost-burdened rates are pronounced. Just **3% of homes sold** between July 2023 and July 2024 were affordable for a household earning \$50,000, while 10% of homes were affordable at the \$75,000 income level. Moreover, **31% of mortgaged homeowners**—and a notable share of mortgage-free owners, particularly in lower-income communities—were cost burdened. These patterns highlight growing access challenges for prospective buyers, particularly those in lower- and moderate-income brackets, as well as affordability pressures facing current owners, including seniors living on fixed incomes who may struggle to maintain housing stability even after paying off their mortgages.

Sale Prices

Figure 25 presents the inflation-adjusted Zillow Home Value Index (ZHVI), a measure of the typical home value in Worcester County over time. This metric reflects changes in home values in constant dollars, making it easier to understand real purchasing power and long-term trends. In January 2010, the typical home in Worcester County was valued at approximately \$357,000. Values declined in the wake of the Great Recession, reaching a low of about \$310,000 by late 2011. A slow recovery followed, with prices reaching roughly \$370,000 by early 2021. Home values then accelerated sharply during the COVID-19 pandemic, driven by low interest rates, remote work, and supply constraints. By mid-2022, the typical home value surpassed \$440,000. As of May 2025, ZHVI stood at **\$428,087**, still well above pre-pandemic levels. Using a standard benchmark in housing studies—that home prices should not exceed three times a household’s annual income—a household would need to earn approximately \$143,000 per year to afford the typical Worcester home. This **far exceeds the County’s median household income**, indicating that homeownership is increasingly out of reach for many residents.

Figure 25. Typical Real Home Values in Worcester County, January 2010–May 2025

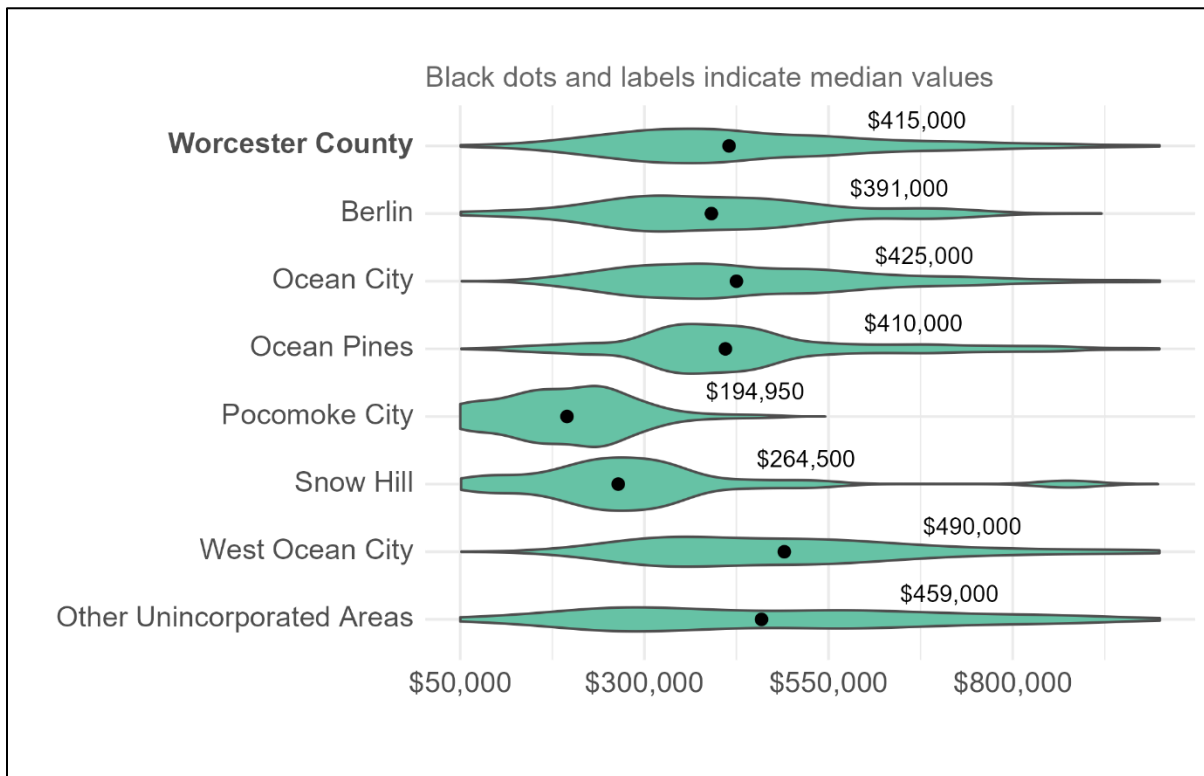


Source: Zillow Home Value Index; Matrix Design Group

Note: All historical home values were adjusted to May 2025 dollars using the CPI-U. Values shown are based on Zillow’s seasonally adjusted Home Value Index (ZHVI), which represents the mean value of homes between the 35th and 65th percentiles, excluding outliers and smoothing trends via a repeat-valuation framework. This yields a stable, representative measure of typical home values over time.

Figure 26 presents the distribution of home sale prices using a violin plot. A violin plot displays both the median value and the overall spread of sale prices; it widens at price points where sales are concentrated and narrows where they are less common. Countywide, the median price from July 2023 to July 2024 was **\$415,000**. While this provides a useful benchmark, the plot also highlights how local markets vary in both price and distribution. For example, in Ocean Pines, the violin is wide around the median, indicating a high volume of sales clustered near \$410,000. In Pocomoke City, the violin is wide at the lower end of the range, reflecting a concentration of lower-value sales and a much lower median of \$194,950. Snow Hill's distribution is relatively compact, with most sales clustered near the \$264,500 median, while areas like Ocean City (\$425,000), Berlin (\$391,000), and West Ocean City (\$490,000) exhibit thinner violins throughout, indicating a broader and more even price distribution. These differences help contextualize the countywide figure by showing where prices are tightly concentrated as opposed to more dispersed. *In areas with greater price dispersion, buyers at different income levels are more likely to find options that align with their budgets.*

Figure 26. Distribution of Home Sale Prices, July 19, 2023–July 18, 2024



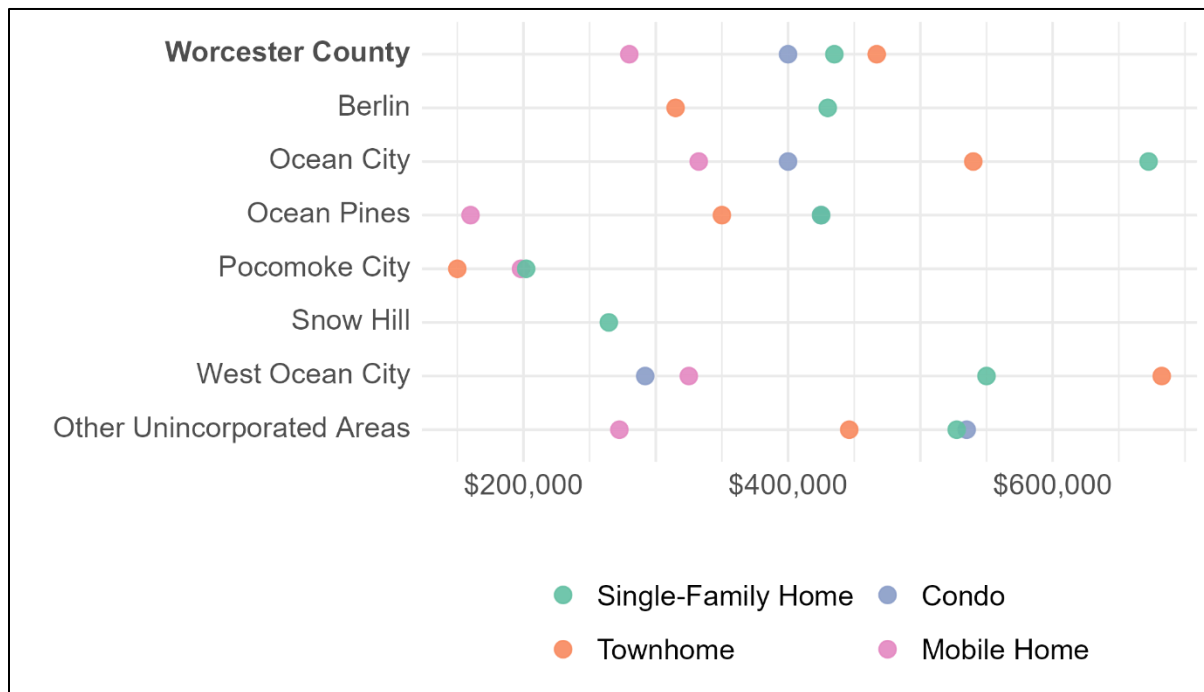
Source: Worcester County Assessor's Parcel Data; Matrix Design Group

Note: This violin plot shows the distribution of home prices across different areas. The shape of each "violin" reflects how prices are spread out: the wider the plot at a given price level, the more common that price is among recent sales. This type of plot gives a fuller picture than a simple median or average, showing where prices are concentrated and how much variation exists within each area. Non-arm's length sales were excluded from the analysis. Unlike MLS-based datasets, Assessor's parcel datasets include both agent-listed and For Sale by Owner (FSBO) sales, providing a more complete view of the residential market. The plot is based on sales data for single-family homes, townhomes, condos, and mobile or manufactured homes.

Figure 27 presents the median sale price by unit type across Worcester County and its subareas. At the County level, townhomes had the highest median price at **\$467,000**, followed by single-family homes at **\$435,000**, condos at **\$400,000**, and mobile homes at **\$280,000**. Although it is surprising that townhomes typically sold for more than single-family homes, it is important to recognize that unit type is not the exclusive determinant of sale price. Site-specific characteristics—such as location, square footage, proximity to water, and new construction—often have a greater influence on value. As a result, the expected price hierarchy by housing type does not always hold.

In Ocean City and West Ocean City, single-family homes and townhomes commanded some of the **highest prices**, with median values of \$672,500 and \$682,450, respectively. In contrast, more rural areas such as Pocomoke City and Snow Hill reported substantially lower median prices for all housing types, with the median single-family home in Pocomoke City selling for just \$202,000. Other subareas fell between these extremes. For example, townhomes in Ocean Pines typically sold for \$350,000, roughly \$35,000 more than the equivalent Berlin median.

Figure 27. Median Sale Price by Unit Type, July 19, 2023–July 18, 2024



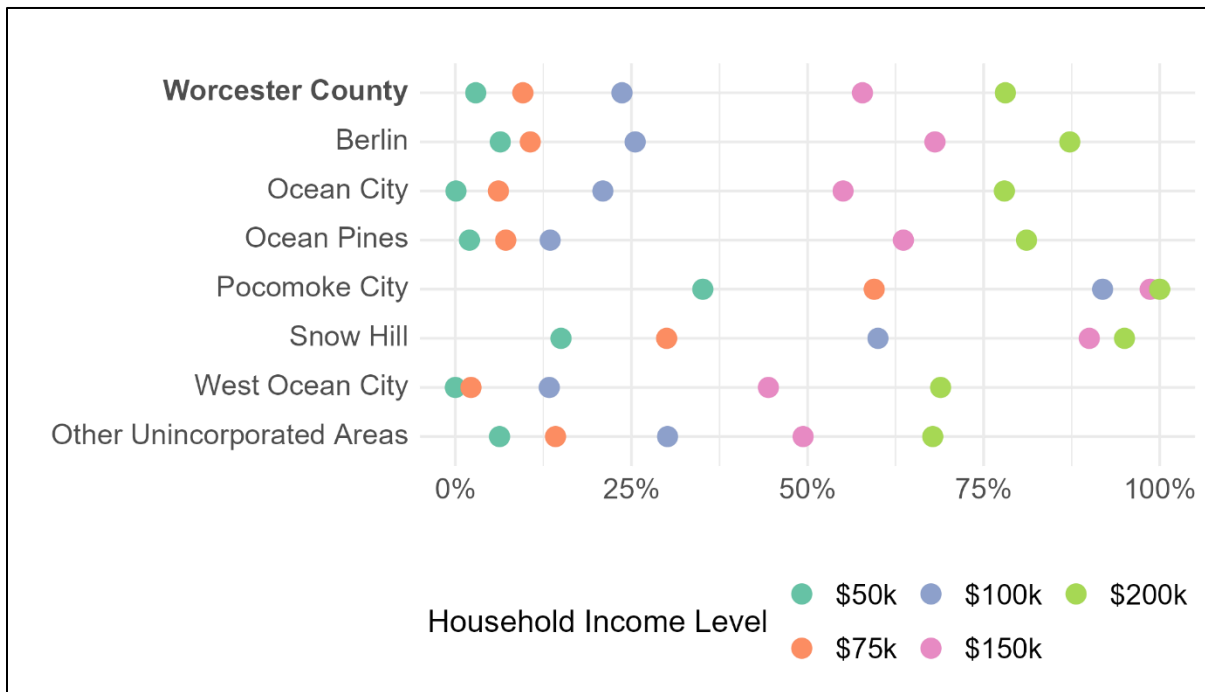
Source: Worcester County Assessor's Parcel Data; Matrix Design Group

Note: Unit type is not the sole determinant of sale price; factors such as location, square footage, proximity to water, and new construction can significantly influence value. In this case, the higher median price for townhomes compared to single-family homes likely reflects these other variables rather than an inherent premium associated with the housing type itself.

Figure 28 denotes the percentage of affordable home sales by household income tier, using the common benchmark that buyers can typically afford a home priced at up to three times their annual income. Between July 2023 and July 2024, just 3% of homes sold were priced at levels affordable to a household earning \$50,000 annually, and only 10% were affordable at the \$75,000 income level. About 24% of sales were affordable at the \$100,000 level. Given that the County’s estimated median household income is \$81,455, this suggests that *the vast majority of homes were priced beyond what a typical Worcester household could afford.*

Homeownership attainability differed significantly across the region. Pocomoke City and Snow Hill offered the most accessible for-sale housing, with 59% of the former community’s sales affordable at the \$75,000 income level. At the other end of the spectrum, more than 30% of sales in West Ocean City and the County’s other unincorporated areas required incomes above \$200,000, underscoring stark geographic disparities in purchase affordability.

Figure 28. Share of Affordable Home Sales by Household Income Level, July 19, 2023– July 18, 2024



Source: Worcester County Assessor’s Parcel Data; Matrix Design Group

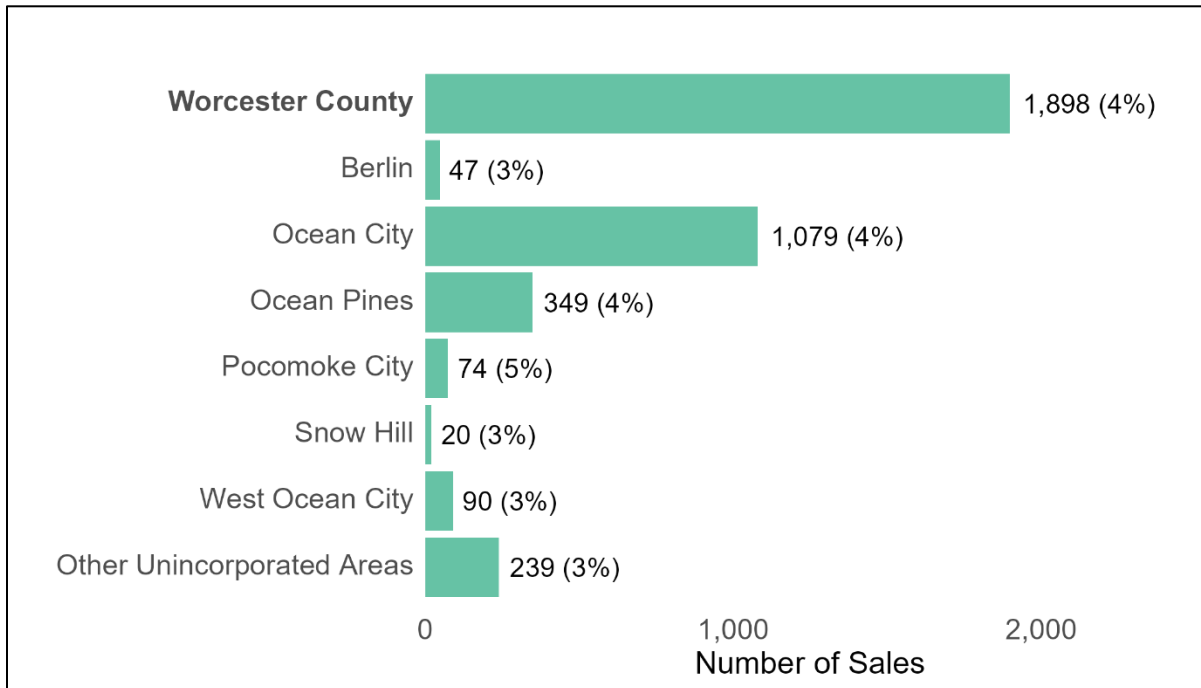
Note: The dots denote the percentage of affordable home sales at the corresponding household income level using the general rule that a home’s sale price should not exceed three times annual income. Units were considered affordable to a given income range if their sale prices did not exceed three times the corresponding household income.

Sales Volume

Figure 29 displays the number of home sales from July 2023 to July 2024 alongside the percentage of total housing inventory sold during that period. Across the County, there were nearly 1,900 residential sales, accounting for **just four percent of the total housing stock**. This relatively low turnover rate is consistent with broader market conditions, where elevated interest rates have discouraged existing homeowners from listing their properties, a phenomenon referred to as the “lock-in effect.” In most markets, **a healthy turnover rate typically falls between six and eight percent**. The share of homes sold was fairly consistent across the County, with limited variation between jurisdictions. Of the total sales, 1,079 occurred in Ocean City, 349 in Ocean Pines, and 239 in other unincorporated areas. The remaining 231 sales were spread across West Ocean City, Pocomoke City, Berlin, and Snow Hill, consistent with the relatively small sizes of those communities.

TURNOVER RATES ARE SHAPED BY A COMBINATION OF MARKET CONDITIONS, INCLUDING INTEREST RATES, HOUSING SUPPLY, HOUSEHOLD MOBILITY, AND OWNER PREFERENCES.

Figure 29. Home Sales Volume and Share of Inventory Sold, July 19, 2023–July 18, 2024



Source: Worcester County Assessor’s Parcel Data; Matrix Design Group

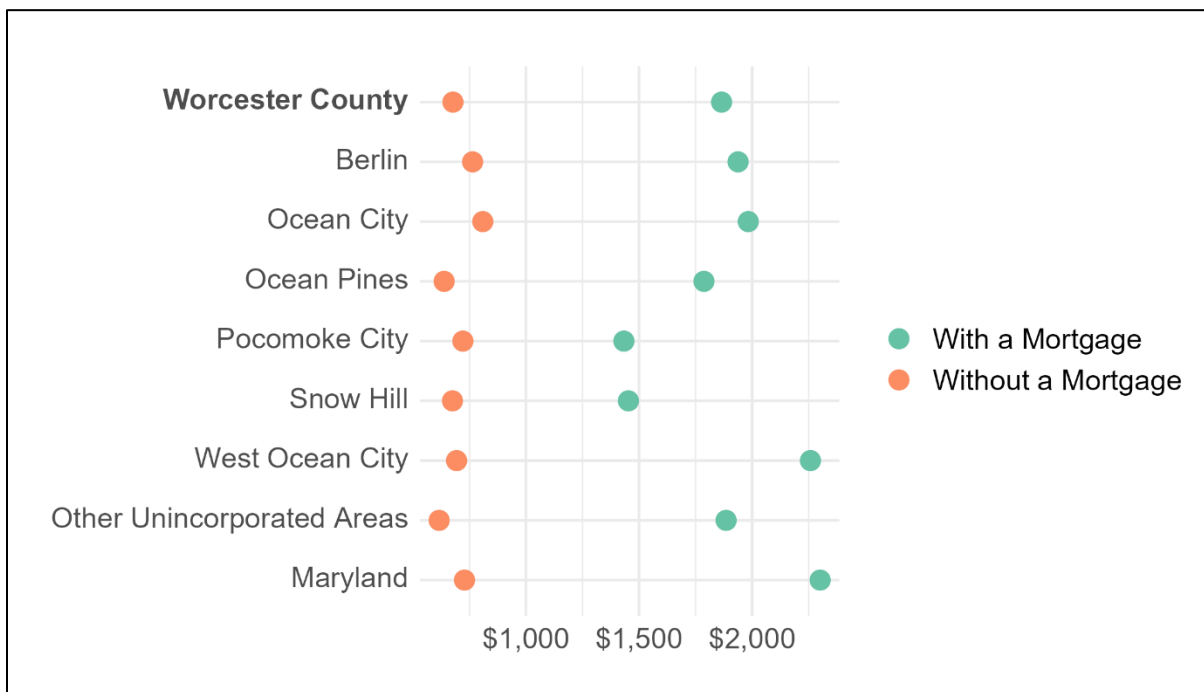
Note: Percentages in parentheses denote the share of the total housing stock represented by sales over the one-year period.

Existing Homeowner Costs

Figure 30 presents median monthly homeownership costs across Worcester County by mortgage status. Among households with a mortgage, the **countywide median was \$1,865**—substantially below the statewide median of \$2,301. Snow Hill (\$1,453) and Pocomoke City (\$1,433) reported the lowest median costs, while homeowners in Ocean Pines (\$1,787), Ocean City (\$1,983), and Berlin (\$1,938) generally paid more, likely reflecting higher home values, newer housing stock, or larger typical homes in those markets. These figures pertain to the full spectrum of homeowners with mortgages, not just recent buyers, and suggest that Worcester County homeowners generally face lower monthly costs than their state-level counterparts.

For homeowners without a mortgage, the countywide median monthly cost was **\$677**, also below the Maryland median of \$728. Several communities reported median monthly costs below the state median, including Ocean Pines (\$638), Snow Hill (\$675), and the County’s unincorporated areas (\$616). Pocomoke City was nearly at parity with the state, at \$721, while Ocean City (\$809) and Berlin (\$764) exceeded the statewide figure. While these homeowners no longer make mortgage payments, these costs still capture the ongoing financial responsibilities of ownership—such as property taxes, insurance, and utilities.

Figure 30. Median Monthly Homeownership Costs by Mortgage Status, 2023

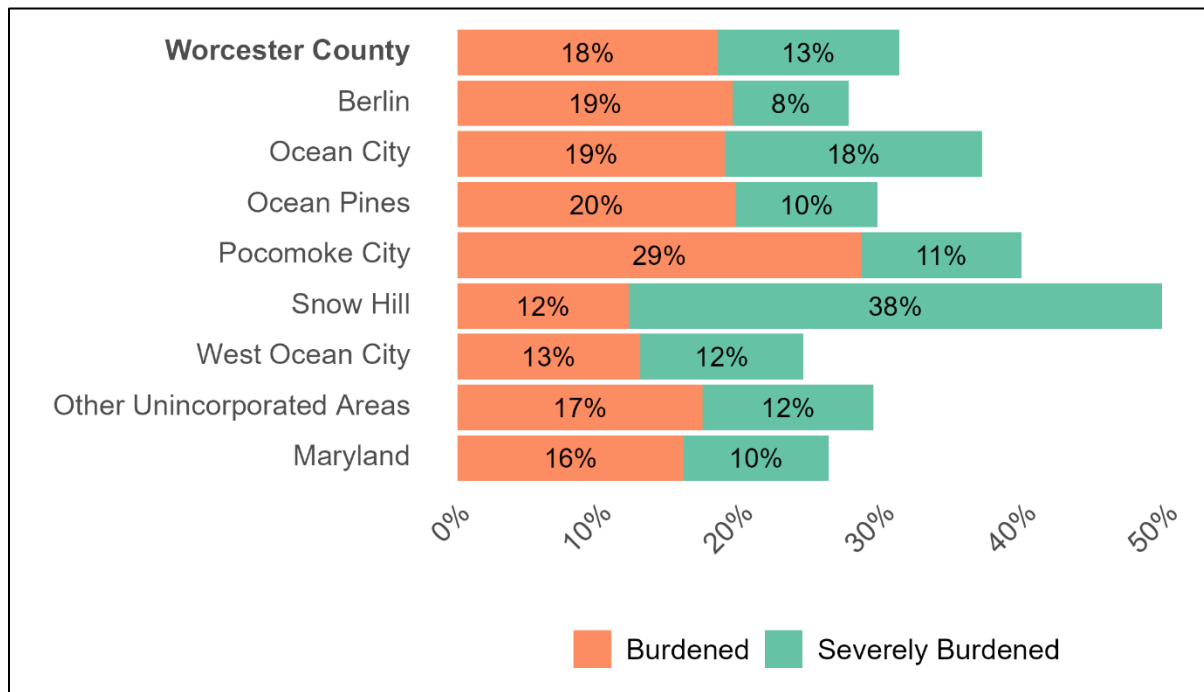


Source: Five-Year American Community Survey; Matrix Design Group, Inc.

Cost-Burdened Homeowners

Figure 31 illustrates the share of owner-occupied households with a mortgage that were cost burdened. Overall, **31% of mortgaged homeowners spent 30% or more of their household income on total ownership costs**, including mortgage payments, property taxes, insurance, and HOA fees. This includes 18% who were moderately burdened (spending between 30% and 49% of income) and 13% who were severely burdened (spending 50% or more). Homeowner cost burden was less prevalent in the state overall, with 26% of owner-occupied households categorized as burdened or severely burdened. The challenge is particularly acute in Snow Hill, **where half of all mortgaged homeowners were cost burdened**; of that subset of homeowners, nearly four-in-five fell into the severely burdened category. Elevated rates were also observed in Pocomoke City and Ocean City, where roughly 40% of homeowners experienced housing-related financial stress. With just 25% of homeowners spending 30% or more of household income on ownership costs, **West Ocean City reported the lowest cost-burdened rate** in the County. High rates of cost burden can have wide-reaching implications, limiting disposable income for healthcare, transportation, and other essentials, and reducing household spending that supports the local economy.

Figure 31. Cost-Burdened Owner-Occupied Households with a Mortgage, 2023

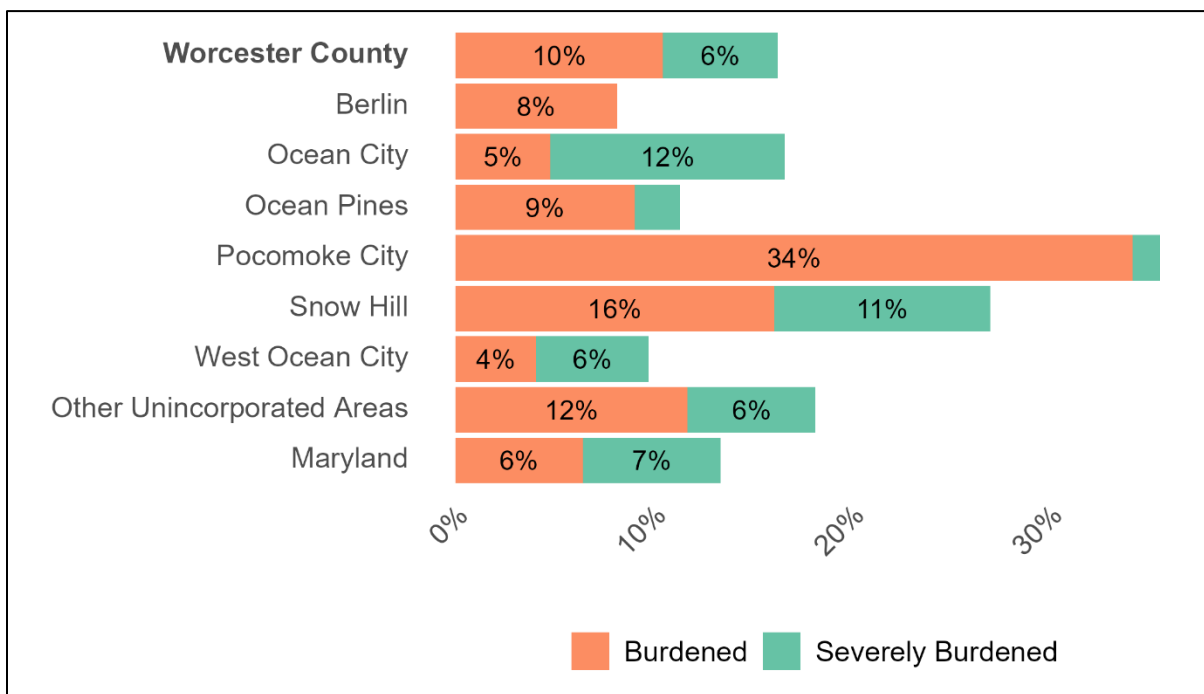


Source: Five-Year American Community Survey; Matrix Design Group, Inc.

Note: “Burdened” households spent from 30% to 49.9% of household income on total ownership costs, compared to 50% or more for “severely burdened” households.

Cost-burdened rates were significantly lower among Worcester County’s approximately 7,300 homeowners without a mortgage, who represented 29% of all owner-occupied households (see Figure 32). Countywide, just **10% of these households were cost burdened**—spending between 30% and 49.9% of their income on ownership-related expenses such as property taxes, insurance, and utilities—while **six percent were classified as severely burdened**, meeting or exceeding the 50% income-to-cost ratio. Worcester’s overall rate was about three percentage points higher than that of the state as a whole. The figure also pinpoints areas where mortgage-free homeowners, who are often seniors living on fixed or limited incomes, may be particularly challenged. In Pocomoke City, more than 35% of these homeowners were cost burdened, and in Snow Hill, the rate exceeded 25%. In contrast, the lowest rates were observed in Berlin, Ocean Pines, and West Ocean City. While overall rates in Worcester were relatively modest, it is evident that even those who no longer carry mortgage debt face affordability challenges.

Figure 32. Cost-Burdened Owner-Occupied Households without a Mortgage, 2023



Source: Five-Year American Community Survey; Matrix Design Group, Inc.

Note: “Burdened” households spent from 30% to 49.9% of household income on total ownership costs, compared to 50% or more for “severely burdened” households.

Key Findings

- Although home prices have generally fallen since their mid-2022 inflation-adjusted peak, Worcester County's May 2025 typical home value of \$428,087 was well above pre-pandemic levels.
- From July 2023 to July 2024, median sale prices ranged from approximately \$195,000 in Pocomoke City to \$490,000 in West Ocean City.
- Markets such as Ocean Pines and Pocomoke City exhibited relatively tight price clustering, while price distributions were broader in areas like Ocean City, Berlin, and West Ocean City.
- While condos and mobile homes—two popular alternatives to single-family detached homes—typically sold for \$400,000 and \$280,000, respectively, the median sale price for townhomes was \$467,000, likely due to location or unit characteristics.
- Only 3% of homes sold during the July 2023–July 2024 period were affordable to households earning \$50,000, and just 10% were affordable at the \$75,000 level.
- At the \$100,000 income threshold—which most Worcester households do not meet—just 24% of home sales were affordable.
- Turnover rates have been low, with just 4% of the County's housing stock selling between July 2023 and July 2024.
- Countywide, 31% of mortgaged homeowners were considered cost burdened, with rates ranging from 25% in West Ocean City to 50% in Snow Hill.
- Mortgage-free homeowners generally faced less financial strain, though elevated cost-burdened rates were observed in lower-income areas such as Pocomoke City and Snow Hill.

Implications

- Elevated home values may limit pathways to homeownership and contribute to longer-term declines on ownership rates among middle- and lower-income households.
- The homeownership affordability gap for low- and moderate-income households may contribute to increased housing insecurity, outmigration, or pressure on the rental market, as would-be buyers remain unable to enter the ownership market.
- Low inventory turnover—driven by higher interest rates—may reduce opportunities for both new buyers and current owners seeking to relocate, contributing to a less dynamic housing market and potential spatial mismatch between housing availability and demand.
- Markets with more tightly clustered sale prices may offer fewer options for buyers at different income levels, limiting choice and flexibility.
- Elevated homeowner cost-burdened rates may reduce disposable income, limiting household spending and potentially constraining broader local economic growth.



Current & Projected Housing Demand

This section outlines current and projected household income distributions by tenure and estimates the number of additional housing units needed to address existing and anticipated demand in Worcester County. Stark income disparities exist between renters and homeowners, with the former far more likely to fall into lower area median income (AMI) tiers. Currently, the County faces an estimated shortage of 1,518 owner units and 558 rental units. This need is likely to increase in accordance with anticipated population growth. Worcester County is projected to gain over 2,200 households by 2050, bringing the total to approximately 26,000.



Household Distribution

Table 7 summarizes the estimated 2023 household distribution by AMI tier and projects how these patterns are expected to evolve over time. As of 2023, income disparities between renters and homeowners in Worcester County were stark. Roughly **one-third (33%) of the County's 5,541 renter-occupied households** earned less than 30% of the area median income (AMI), compared to **just 12% of the 18,286 owner-occupied households**. Similarly, an additional 21% of renter households fell within the 31-to-50% AMI tier, while the same was true for just 13% of owner households. At the upper end of the income spectrum, the inverse pattern holds: 58% of owner-occupied households earned more than 120% of AMI, compared to just 27% of renters. These figures indicate a pronounced affordability gap between renters and homeowners, underscoring the vulnerability of low-income renter households.

The total number of households in Worcester County is anticipated to increase modestly through 2050, according to official projections from the Maryland Department of Planning and additional forecasting conducted by Matrix. Based on the assumption that the tenure distribution remains constant over time, the number of owner-occupied households is expected to rise from 18,286 in 2023 to 18,878 by 2035 and 20,011 by 2050. Renter-occupied households are projected to increase from 5,541 to 5,722 in 2035 and 6,064 in 2050. These projections are intended to support long-range estimates of housing needs and should be interpreted cautiously given the uncertainty of long-term forecasts.

Table 7. Total Households by AMI Tier, 2023, 2035, & 2050

AMI Tier	2023		2035		2050	
	Owner Occupied	Renter Occupied	Owner Occupied	Renter Occupied	Owner Occupied	Renter Occupied
0-30% AMI	2,141	1,805	2,210	1,864	2,343	1,975
31-50% AMI	2,403	1,179	2,481	1,217	2,630	1,290
51-80% AMI	3,214	1,040	3,318	1,074	3,517	1,138
81-120% AMI	3,755	798	3,877	824	4,109	873
121-200% AMI	2,540	453	2,622	468	2,780	496
200%+ AMI	4,233	266	4,370	275	4,632	291
Total	18,286	5,541	18,878	5,722	20,011	6,064

Source: Five-Year American Community Survey; Maryland Department of Planning; Department of Housing and Urban Development; Matrix Design Group, Inc.

Note: Totals may not sum precisely due to rounding. AMI is approximated using the 2023 HUD estimate of median family income (MFI) for Worcester County (\$102,200). Projected total households for 2035 were obtained from the Maryland Department of Planning. Linear extrapolation was used to estimate household counts for 2050. For purposes of disaggregating future household demand, we assumed that the tenure and income distribution of future households will mirror the distribution observed in the most recent ACS data.

Housing Needs

Table 8 presents cumulative housing needs estimates in Worcester County for 2023, 2035, and 2050. The values denote the total number of additional housing units needed by each point in time to address identified gaps, not year-over-year additions. The estimates reflect the number of units required both to alleviate overcrowding among existing households and to accommodate demand from in-commuters. Specifically, the analysis assumes that 25% of the County’s in-commuting workforce would choose to live in Worcester if sufficient housing existed—a conservative measure of latent, or hidden, demand. Housing needs were allocated across tenure and income categories using the existing distributions.

As of 2023, the County was estimated to need **1,518 additional ownership units and 558 rentals** to address existing imbalances in the market. This need is projected to increase over time, rising to 3,278 ownership units and 1,111 rentals by 2050, in line with expected household growth over the intervening years. A significant share of the rental need—approximately 73% of units—falls below 80% of AMI, dwarfing the share of owner-occupied need at this income level (42%). The concentration of need among lower-income renters underscores the strain on the affordable rental market, but the findings also indicate that the housing supply must grow across all income tiers and tenure types to meet long-term demand.

Table 8. Cumulative Housing Unit Need by AMI Tier, 2023, 2035, & 2050

AMI Tier	2023		2035		2050	
	Owner Units	Rental Units	Owner Units	Rental Units	Owner Units	Rental Units
0-30% AMI	178	181	248	244	384	362
31-50% AMI	199	119	279	159	431	236
51-80% AMI	267	105	373	140	576	209
81-120% AMI	312	80	436	108	673	160
120-200% AMI	211	46	295	61	455	91
200%+ AMI	351	27	491	36	759	53
Total	1,518	558	2,122	748	3,278	1,111

Source: Five-Year American Community Survey; Maryland Department of Planning; Department of Housing and Urban Development; Matrix Design Group, Inc.

Note: The 2023 housing unit need estimate accounts for two components: (1) the number of units required to alleviate overcrowding, calculated at a rate of 0.5 units per overcrowded household, and (2) units needed to accommodate 25% of the in-commuting workforce, converted to households based on an assumed 1.5 workers per household. The 2035 and 2050 housing unit need estimates are cumulative: they incorporate the 2023 base need and also account for projected household growth between 2023 and each future year, using official or (for 2050) extrapolated projections from the Maryland Department of Planning. All unit needs were allocated across income (AMI) and tenure tiers based on the existing distribution of households and include a buffer for vacancies. These totals represent the number of additional housing units needed to meet current deficiencies and keep pace with future demand.

Key Findings

- The number of households in Worcester is projected to cumulatively grow by 3% through 2035 and 9% through 2050.
- Among the County's 18,286 owner-occupied households, 42% earned below 80% AMI, compared to 73% of the 5,541 renter-occupied households.
- The County currently faces a deficit of 2,076 housing units, with the cumulative need expected to grow to 2,870 by 2035 and 4,389 by 2050.

Implications

- Housing shortages can lead to longer search times and reduced bargaining power for prospective residents, particularly those with limited incomes or specialized housing needs.
- The mismatch between housing supply and demand may constrain in-migration, workforce retention, and economic growth, especially in sectors reliant on lower-wage employees.
- Sustained housing shortages may encourage the proliferation of informal or overcrowded living arrangements, particularly in communities where rental options are already scarce.
- Shortages across all income levels create upward pressure on prices and reduce mobility throughout the housing ladder, often pushing higher-income households into lower-cost segments and crowding out moderate-income buyers who lack the flexibility to compete.
- Housing shortages may lead younger adults to postpone forming independent households, contributing to demographic and economic shifts.



Substandard Housing

This section provides an updated analysis of substandard housing conditions in Worcester County, building on the foundation established by the *Substandard Housing Study 2004*. It examines a range of housing quality indicators, primarily at the census tract level—a geographic unit defined by the U.S. Census Bureau that typically includes 1,200 to 8,000 residents. While conditions vary across the County, the data reveals a clear and persistent geographic divide: southern communities such as Snow Hill, Pocomoke City, and surrounding unincorporated areas show higher rates of housing inadequacy, whereas northern coastal areas like Ocean City and Ocean Pines tend to report fewer issues. The analysis also employs parcel-level data from the Worcester County Assessor's Office. These assessor records include construction quality ratings that allow for fine-grained assessments of structural condition, providing a more geographically granular view of the areas most in need of intervention.

The map on the following page (Figure 33) uses a hot-spot analysis to identify areas where the housing stock is in notably poor structural condition. This method pinpoints clusters of older, lower-quality homes where substandard conditions are more common than in surrounding areas. Specifically, the basis of the analysis is an index that was developed using two key parcel-level variables from the Worcester County Assessor's database: construction quality grade and building age. Each measure was converted to a standardized score, which expresses how far a parcel's value is above or below the countywide average. These standardized scores were then combined into a single index that provides a relative measure of structural quality. The index is based on the idea that homes that when a home is both old and of lower construction quality, the combined effect makes it more vulnerable to physical deterioration, code violations, and habitability issues than if only one of these factors were present.

Poor structural conditions are most heavily concentrated in and around Pocomoke City, Snow Hill, and portions of Berlin, as shown by the red hot spots on the map. In contrast, better housing conditions are found in the northern coastal communities—particularly Ocean City, Ocean Pines, and surrounding neighborhoods—where housing is generally newer and built to higher standards. Some areas have no color at all because they contain few or no residential parcels, or because housing there does not show statistically significant clustering of either poor or high-quality conditions.

Figure 33. Structural Condition Index for Residential Parcels in Worcester County

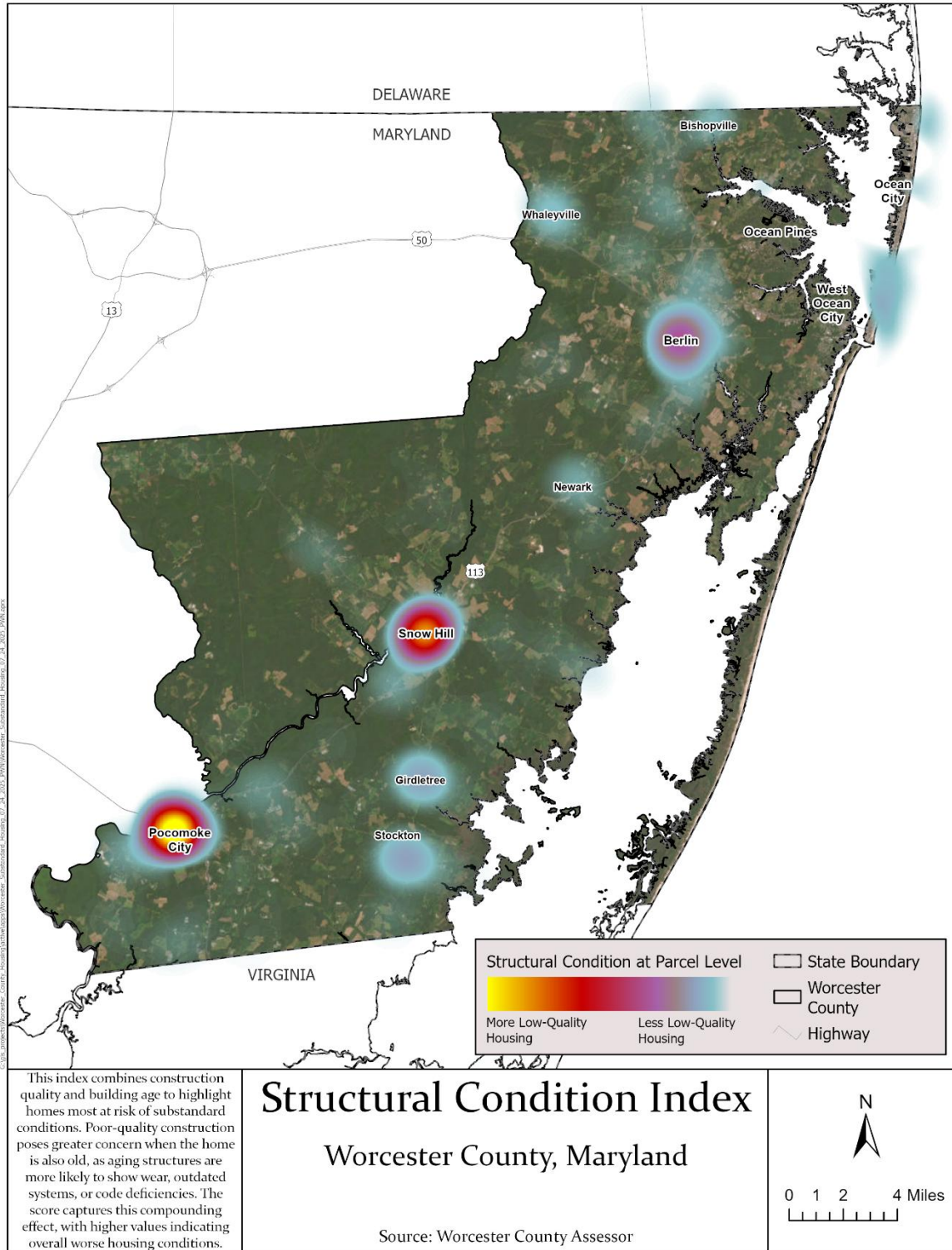


Figure 34 highlights the geographic distribution of housing units that rely on fuel sources commonly associated with substandard housing conditions. Census tracts shaded in turquoise or blue indicate a higher share of units using non-standard fuel types such as bottled, tank, or LP gas; fuel oil or kerosene; wood; coal or coke; other unconventional sources; or no fuel at all. These fuel types are often linked to substandard housing because they may indicate a lack of access to safer, more efficient, and centrally supplied energy sources like natural gas or electricity. Homes that rely on wood, coal, or kerosene for heating, for example, may face greater safety risks, higher maintenance burdens, and limited temperature control, particularly during extreme weather. Additionally, use of these fuels can reflect broader deficiencies in housing infrastructure, such as the absence of modern HVAC systems or energy-efficient appliances. These fuel types are relatively uncommon in the northern part of Worcester County, particularly in Ocean City and Ocean Pines, where modern infrastructure is more widespread. In contrast, they are significantly more prevalent in the southern half of the County, especially in unincorporated areas surrounding Snow Hill, where more than 40% of homes fall into this category.



Figure 34. Share of Housing Units using Non-Standard Fuel Types by Census Tract

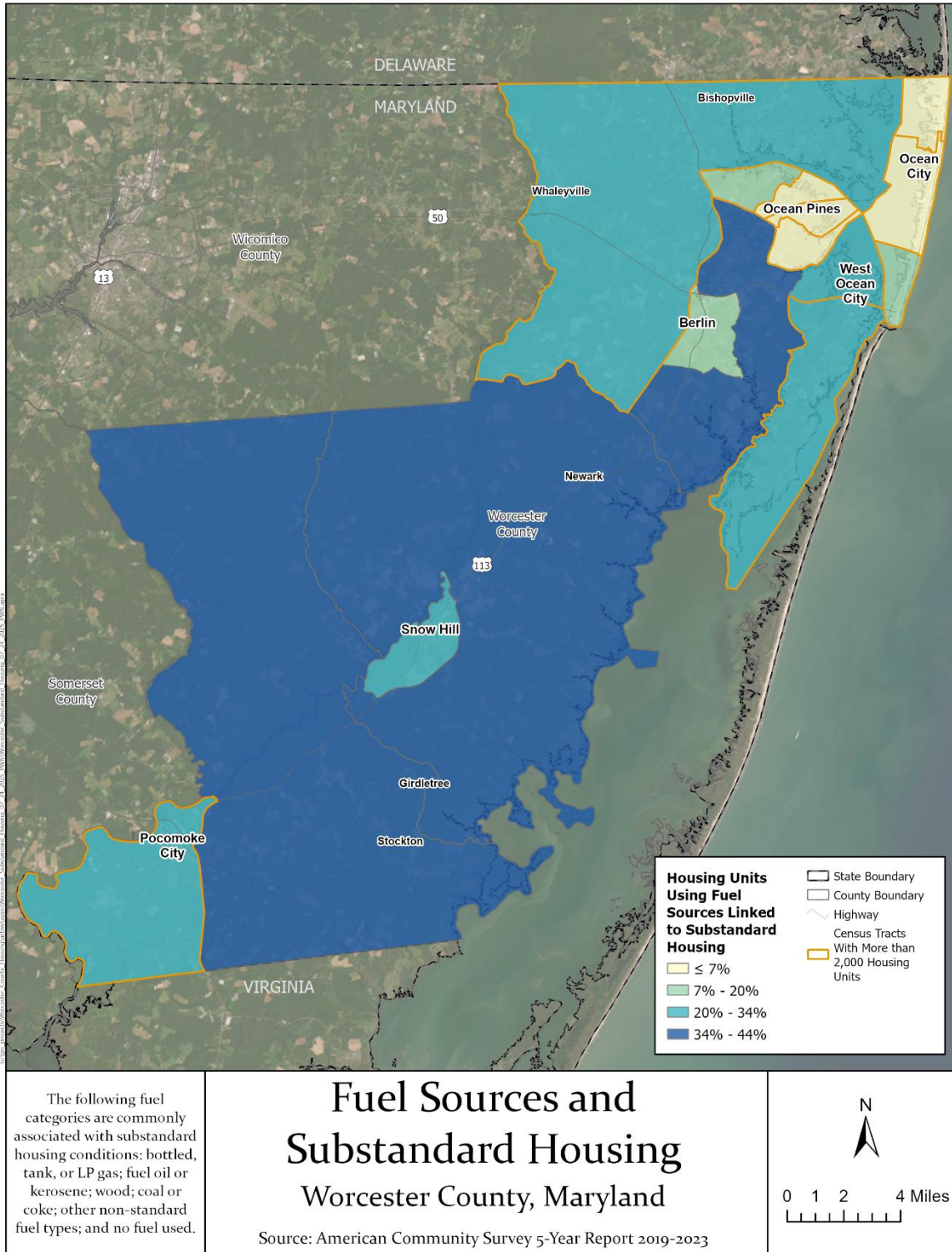
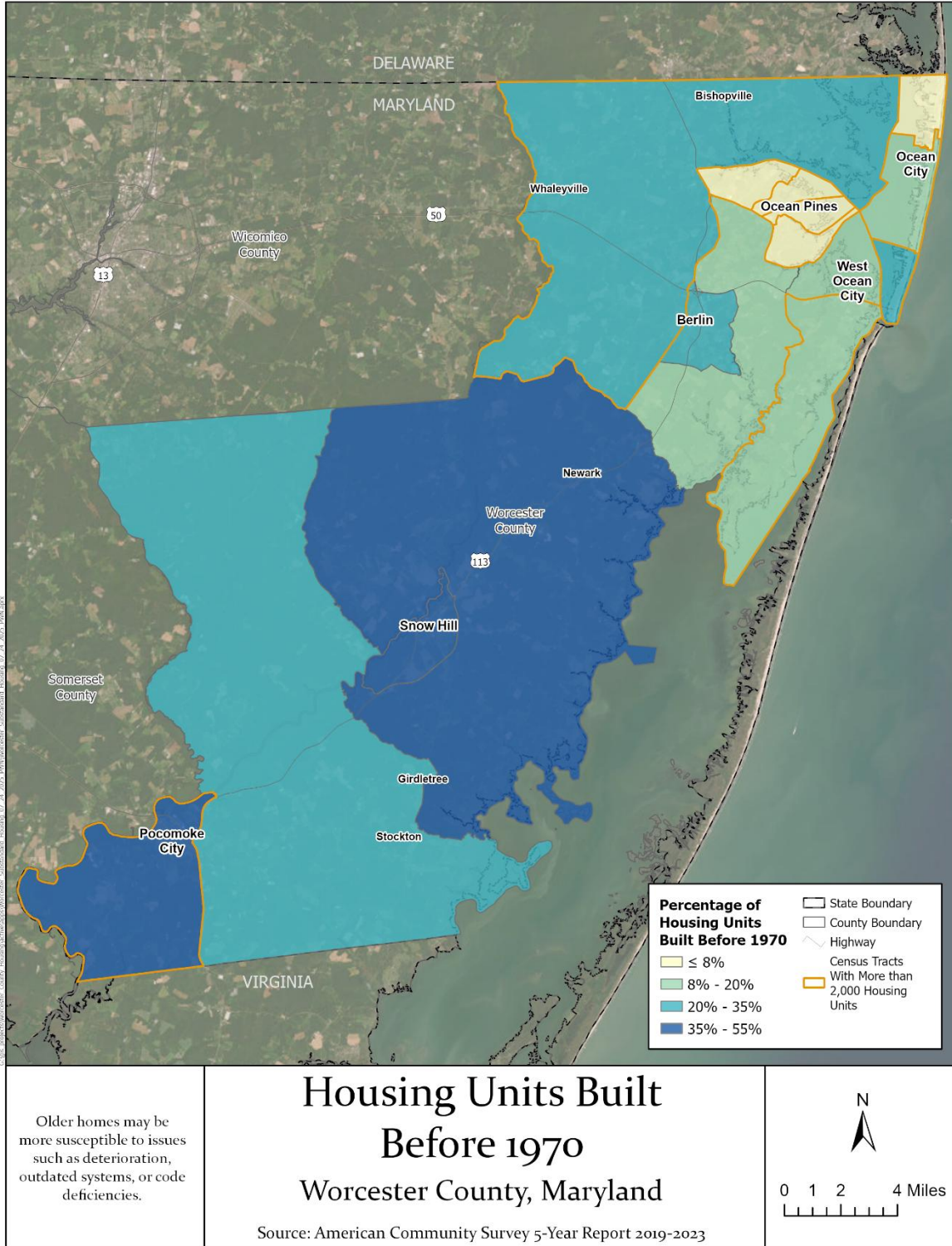


Figure 35 maps the spatial distribution of older housing stock—defined here as units built before 1970—throughout Worcester County. These older homes are especially concentrated in western Pocomoke City and the adjacent unincorporated areas, where over 55% of housing units fall into this category. Similar patterns are evident in Snow Hill and its surrounding unincorporated neighborhoods, where nearly half of all homes predate 1970. In contrast, newer development is more common in communities such as Ocean Pines and Ocean City, especially the northern part. Older housing tends to be more vulnerable to substandard conditions due to age-related deterioration, outdated construction methods, and the absence of modern infrastructure such as central heating and cooling, energy-efficient insulation, and up-to-date plumbing or electrical systems. Without significant reinvestment, these homes can pose safety and health risks and often carry higher maintenance and utility costs—challenges that disproportionately affect lower-income households.



Figure 35. Share of Housing Units Built Before 1970 by Census Tract



Another indicator of potential housing quality issues is the off-market vacancy rate, measured using the “other vacant” category from the ACS. This category includes homes that are neither for sale nor for rent and often captures units that are substandard or otherwise uninhabitable. As shown in Figure 36, these vacancies are more prevalent in certain parts of Worcester County than others. Rates were highest—exceeding 8%—in the pair of tracts covering western Pocomoke City and its adjacent unincorporated area and the central unincorporated zone northeast of Snow Hill. Other areas with elevated off-market vacancy rates include the northern unincorporated area west of Ocean Pines and the rural inland tract east of Newark.



Figure 36. Off Market-Vacancy Rate by Census Tract

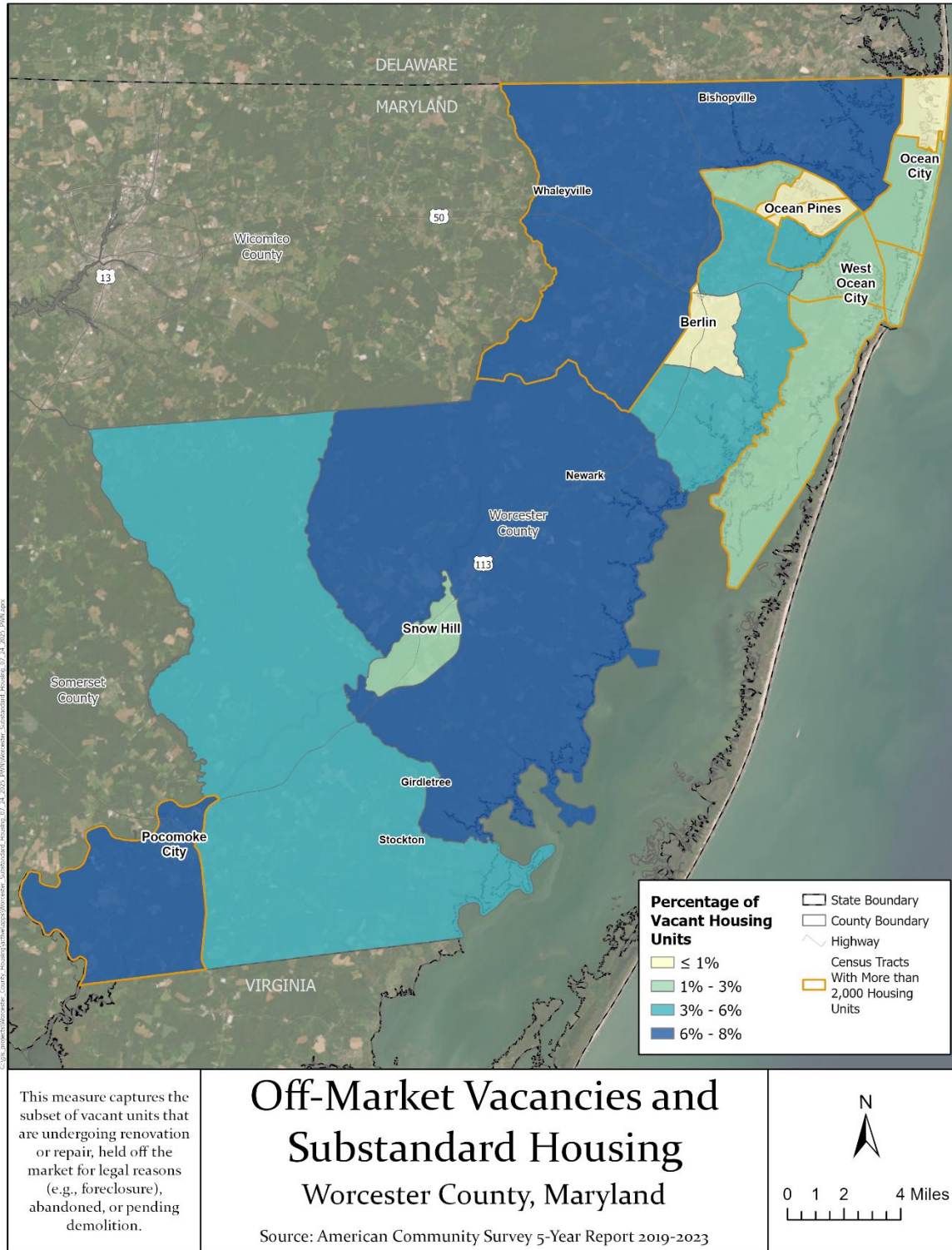


Figure 37 displays the average share of housing units lacking complete kitchen or plumbing facilities across Worcester County census tracts. This indicator was constructed by averaging the percentage of units without a complete kitchen and the percentage without complete plumbing in each tract. Because both deficiencies are rare and typically do not occur in the same unit, this approach provides a more stable and interpretable summary of basic utility shortfalls. The average rates were highest in the western unincorporated area southwest of Snow Hill (1.9%) and in eastern Berlin and adjacent unincorporated neighborhoods (1.1%). Elsewhere, rates were typically below 1%, with several tracts reporting no such deficiencies. Although estimates should be interpreted cautiously due to the low incidence of these conditions and the margins of error in tract-level sample data, this measure offers a useful screening tool to identify areas where substandard housing may be more prevalent.



Figure 37. Average Share of Units with Incomplete Kitchen or Plumbing Facilities by Census Tract

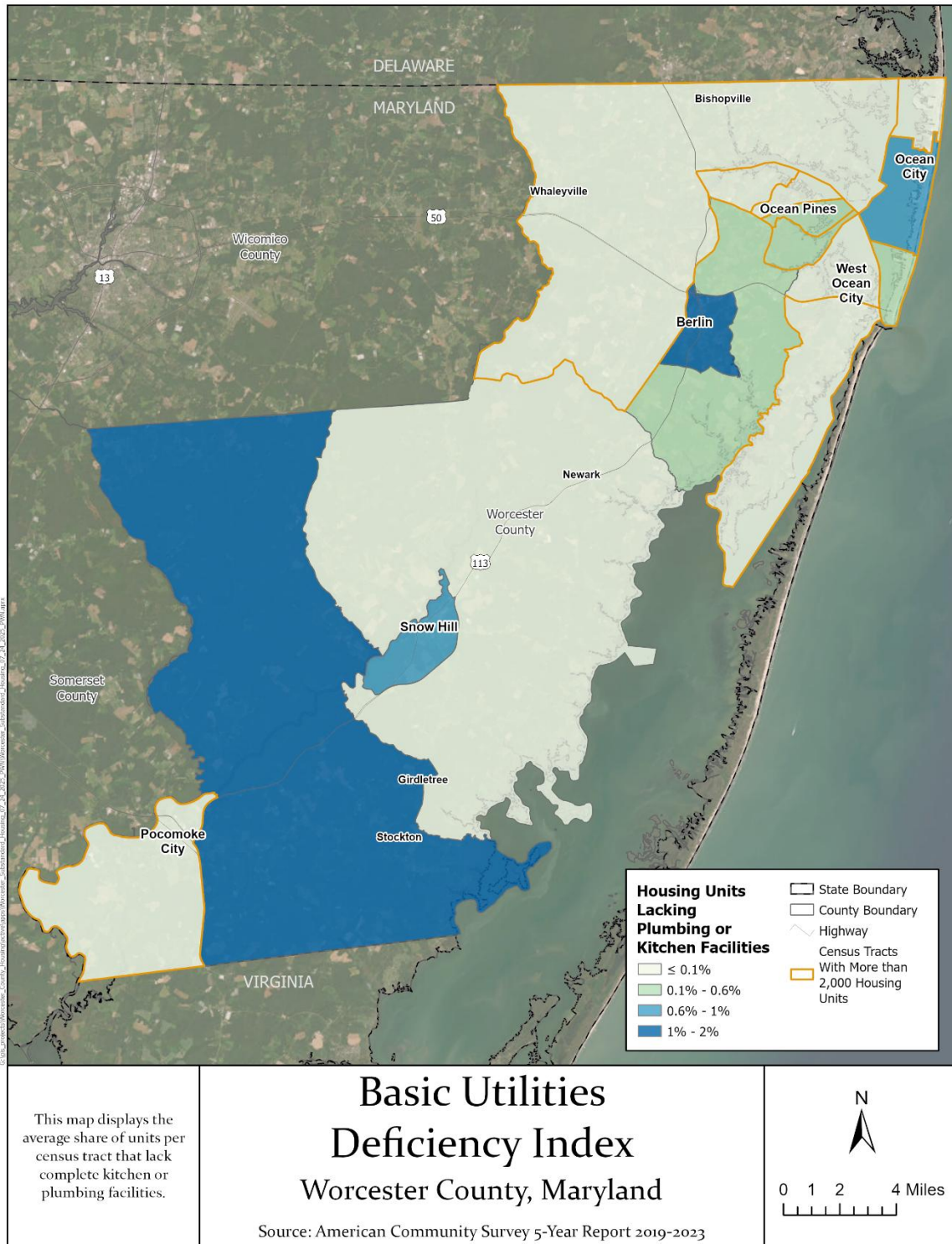


Figure 38 presents the Substandard Housing Index, a composite score developed using principal components analysis (PCA). PCA is a statistical technique that distills multiple related variables into a single summary measure. In this case, the measure captures overall housing quality across census tracts, rather than merely structural condition, as measured in Figure 33. The index incorporates several indicators of housing conditions, such as structure age, construction quality, fuel type, and the presence of incomplete kitchen or plumbing facilities. Higher index scores reflect greater concentrations of housing inadequacies. The highest substandard housing scores are found in tracts covering western Pocomoke City and its adjacent unincorporated area, the unincorporated zone southwest of Snow Hill, and the central unincorporated region northeast of Snow Hill. By contrast, the lowest scores were observed in eastern Ocean Pines and central Ocean City. These results further underscore the stark geographic divide housing quality and condition, with the County's inland southern areas facing more pronounced challenges than the more developed and coastal northern communities.



Figure 38. Substandard Housing Index by Census Tract

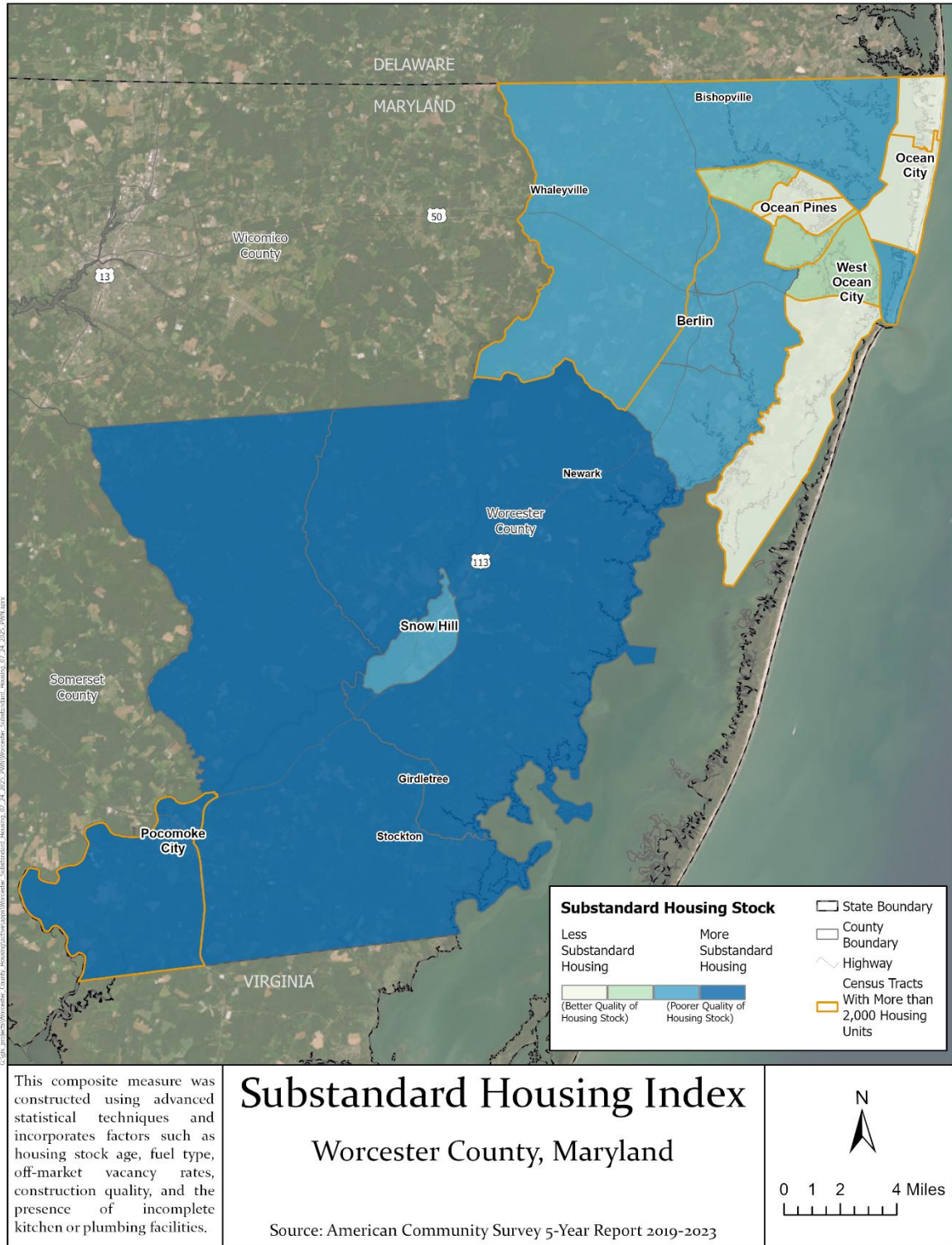


Table 9 presents five of the main indicators of substandard housing for the 16 main census tracts, each expressed as a percentage. To facilitate interpretation of the tract-level estimates, countywide data are also provided. For all variables shown, higher values denote a greater prevalence of substandard conditions. The unit of analysis is the housing unit for all variables except “Lower-Quality Construction,” which is based on parcel-level data. Collectively, the results reinforce that substandard housing conditions are not evenly distributed across Worcester County. In particular, the southern portion of the County, including and surrounding Snow Hill and Pocomoke City, tends to exhibit higher rates of housing quality issues relative to other areas. These patterns illustrate a need for targeted interventions in communities where substandard conditions are most concentrated.

Table 9. Indicators of Substandard Housing for Worcester County Census Tracts

Tract	Area	Substandard Fuels	Pre-1970 Housing Stock	Off-Market Vacancy Rate	Lower-Quality Construction	Lack of Basic Utilities
9500	Southern Ocean City	10%	30%	2%	56%	0.3%
9501	Central Ocean City	1%	9%	1%	58%	0.8%
9503	Northern Ocean City	6%	2%	0%	57%	0.0%
9504	Northern West Ocean City	26%	17%	2%	31%	0.0%
9506	Northern Ocean Pines	5%	4%	0%	53%	0.0%
9507	Northwestern Ocean Pines	17%	7%	2%	62%	0.0%
9508	Northern unincorporated zone west of Ocean Pines	34%	25%	6%	49%	0.0%
9509	Rural inland area east of Newark	36%	14%	6%	55%	0.2%
9510	Eastern Berlin and adjacent unincorporated zone	12%	29%	0%	63%	1.1%
9511.01	Southern Ocean Pines	7%	5%	5%	39%	0.5%

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9511.02	Eastern Ocean Pines	6%	5%	0%	34%	0.5%
9512	Central unincorporated zone northeast of Snow Hill	42%	36%	8%	65%	0.0%
9513	Snow Hill and adjacent zone	30%	48%	1%	81%	0.7%
9514	Western unincorporated zone southwest of Snow Hill	44%	30%	5%	70%	1.9%
9515	Western Pocomoke City and adjacent unincorporated zone	30%	55%	9%	83%	0.0%
9517	Coastal zone near Assateague Island	29%	9%	2%	16%	0.0%
—	Worcester County	21%	15%	2%	54%	0.3%

Source: Five-Year American Community Survey; Worcester County Assessor Parcel Data; Matrix Design Group, Inc.

Note: Five-Year American Community Survey; Matrix Design Group, Inc.

Key Findings

- Southern areas such as Snow Hill, Pocomoke City, and nearby unincorporated zones exhibit higher rates of housing inadequacy, while northern coastal communities like Ocean City and Ocean Pines generally report better conditions.
- Hot-spot analysis of building age and construction quality reveals poor conditions clustered in and around Pocomoke City, Snow Hill, and parts of Berlin, with the strongest conditions found in northern coastal areas.
- Over half of homes in western Pocomoke City and nearly half in Snow Hill predate 1970, making them more vulnerable to deterioration and higher maintenance costs.
- Non-standard heating fuel use is far more common in southern unincorporated areas (over 40% of homes near Snow Hill) than in northern communities, reflecting gaps in modern utility access.
- A composite index of housing quality confirms the north-south quality divide, with the highest inadequacy scores in inland southern census tracts and the lowest in coastal northern areas.

Implications

- Concentrations of older, lower-quality housing in southern Worcester County may place greater strain on local resources for code enforcement, housing repair assistance, and infrastructure support.
- Residents in these areas may face higher long-term housing costs relative to home value due to greater maintenance needs and lower energy efficiency.
- Persistent condition gaps between northern and southern communities could contribute to uneven neighborhood desirability, property appreciation, and population growth over time.
- The geographic clustering of structural deficiencies suggests that market forces alone may be less effective at improving housing quality in certain areas, potentially prolonging disparities.
- Preservation of existing housing stock is critical in high-need areas, as many older homes could be retained through proactive maintenance, weatherization, and modernization efforts.
- Targeted rehabilitation should prioritize southern communities, where aging, lower-quality housing is most concentrated.



Community Engagement

The community engagement process for this study consisted of two primary components: a countywide resident survey and a series of stakeholder interviews. These efforts were designed to capture both broad public input and targeted perspectives from individuals with direct experience in housing, planning, social services, and economic development. The survey provided insights into residents' housing conditions, challenges, and preferences, while the interviews offered context and nuance from professionals and community leaders across Worcester County. Taken together, these engagement activities helped ensure that the report's findings and recommendations reflect both lived experiences and practitioner knowledge.

Community Survey

Matrix developed a bilingual community survey—available in both English and Spanish—to gather input from Worcester County residents about their housing experiences and needs. The survey was promoted by the County and ran from February to June 2025, ultimately receiving 673 responses. Because the survey was opt-in and relied on voluntary participation rather than a randomized sampling process, the results should not be interpreted as statistically representative of the entire population. Nonetheless, the findings offer meaningful insight into the experiences and concerns of those who chose to participate. The full results can be found at the end of this report.

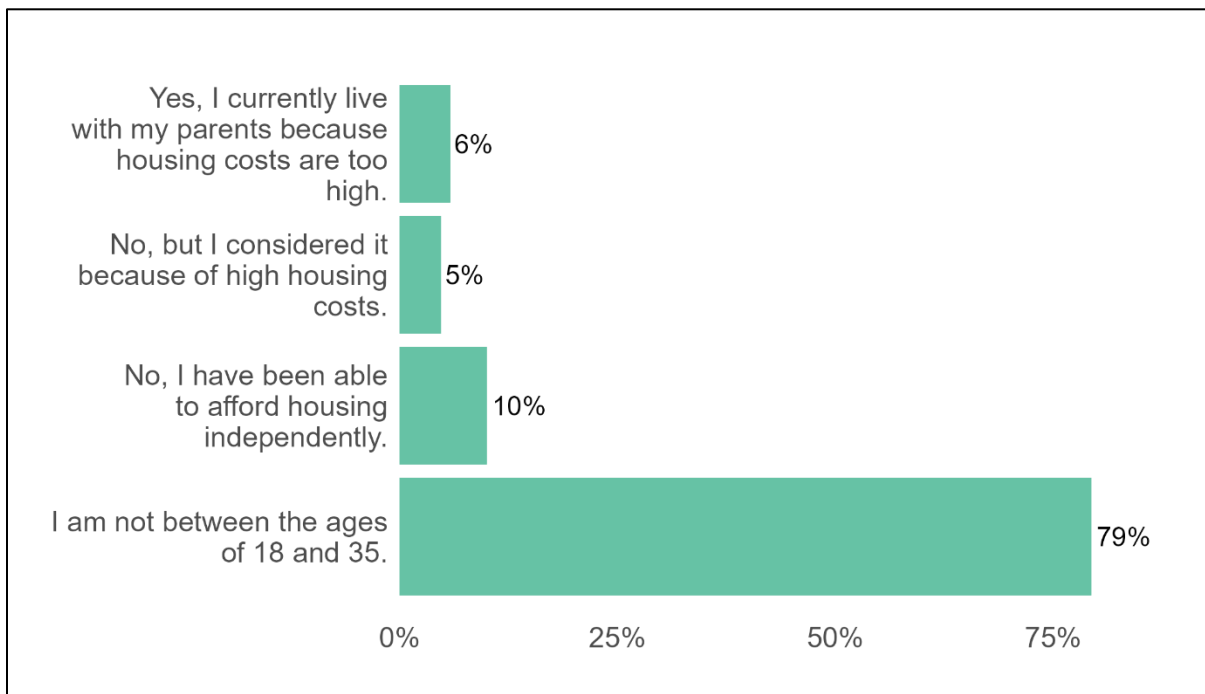


WORCESTER COUNTY'S YOUNGER RESIDENTS APPEAR TO BE NAVIGATING A FRAGILE HOUSING PATH, WHERE ONE UNEXPECTED EXPENSE OR RENT INCREASE COULD TIP THE BALANCE.

Figure 39 summarizes response to a question about current housing situations among residents aged 18 to 35. About 21% of respondents fell into this age range, and among this subset of respondents, nearly three-in-ten reported that they live with their parents due to high housing costs. A similar share indicated they had considered moving back in with parents because of affordability challenges. Slightly fewer than half of younger respondents said housing

costs have not imposed enough financial strain on them to consider moving back in with their parents.

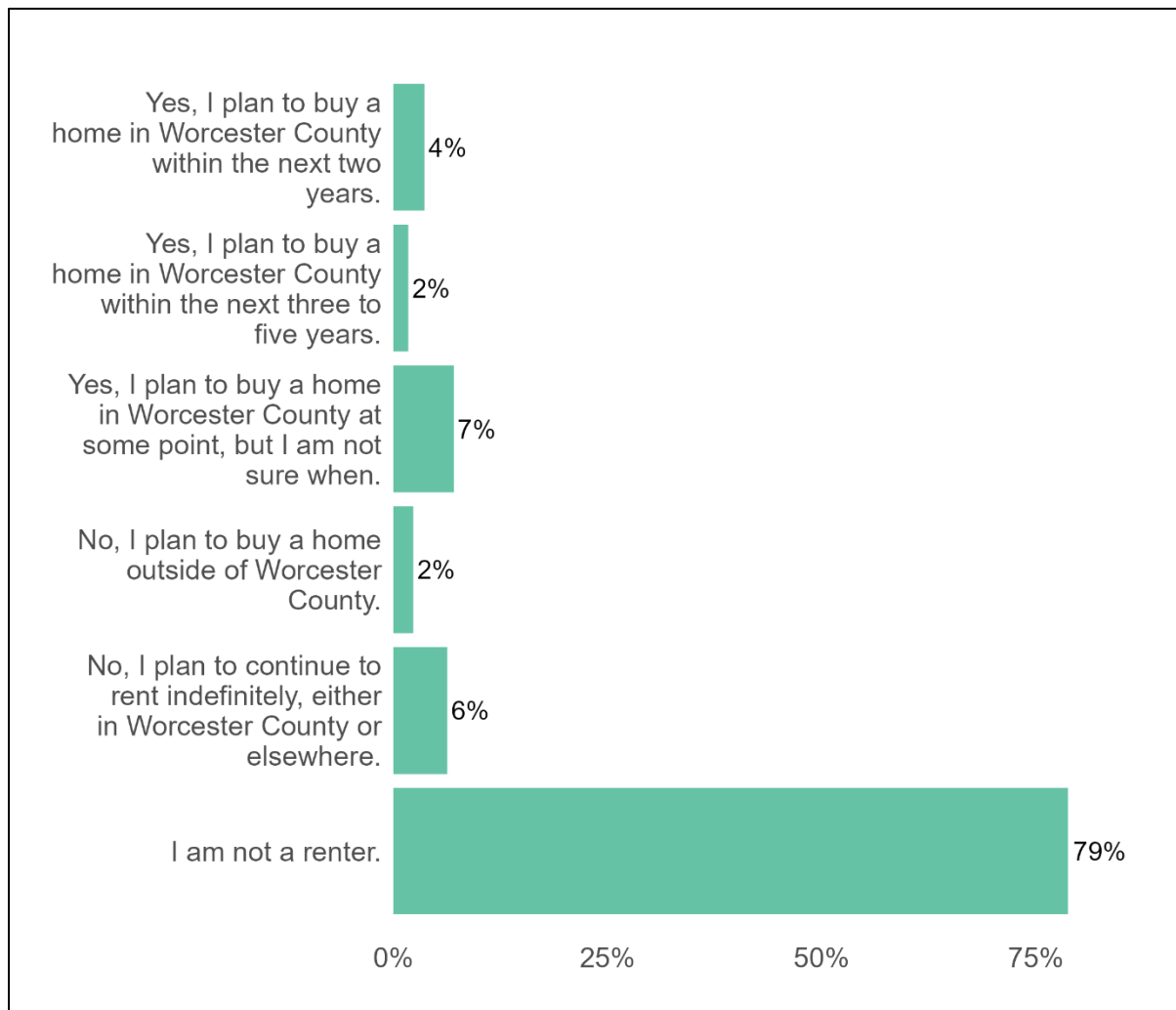
Figure 39. "If you are between the ages of 18 and 35, have you continued living with your parents or moved back in with them in the past few years due to challenges affording housing on your own?"



Source: Matrix Design Group, Inc.
 Note: N = 480

Another survey question explored the homeownership prospects and preferences of Worcester County renters (see Figure 40). Over half of respondents who currently rent indicated that they intend to purchase a home in the County either within the next five years or at some undefined point in the future. However, nearly 30% of renters said they plan to rent indefinitely, highlighting potential barriers to homeownership such as affordability or personal preference. A smaller share, approximately 10%, reported that they plan to buy a home but outside of Worcester County, suggesting that some renters may be seeking housing opportunities elsewhere due to cost, availability, or lifestyle considerations.

Figure 40. "If you are currently renting your home, do you plan to buy a home in your community or somewhere else in Worcester County in the future?"

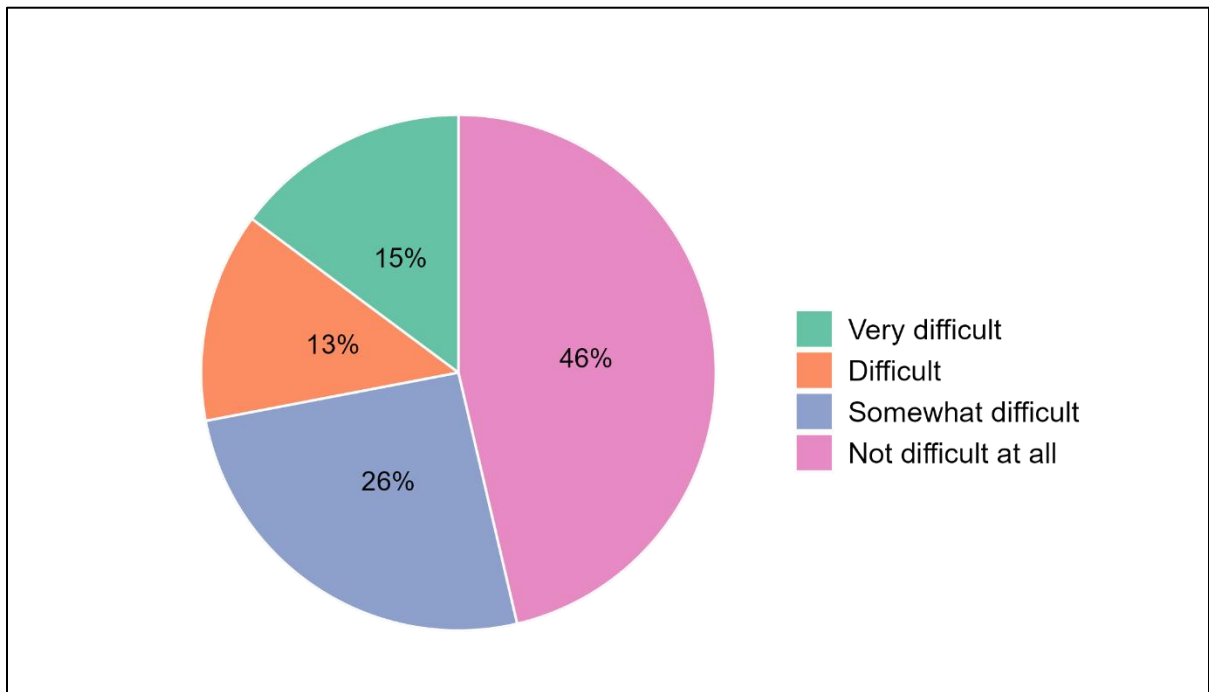


Source: Matrix Design Group, Inc.

Note: N = 678

Respondents were also asked to reflect on how difficult it was to find their current housing (see Figure 41). While nearly half (46%) reported that the process was not difficult at all, the remaining responses suggest meaningful barriers in the housing search. About 26% said it was somewhat difficult, 13% found it difficult, and 15% described the experience as very difficult. Notably, those who searched for housing more recently, such as newer residents, younger adults, or seniors looking to downsize, were more likely to report difficulty, suggesting that challenges in the housing market have intensified in recent years due to rising costs, limited availability, or increased competition.

Figure 41. "How difficult was it for you to locate your current housing?"



Source: Matrix Design Group, Inc.

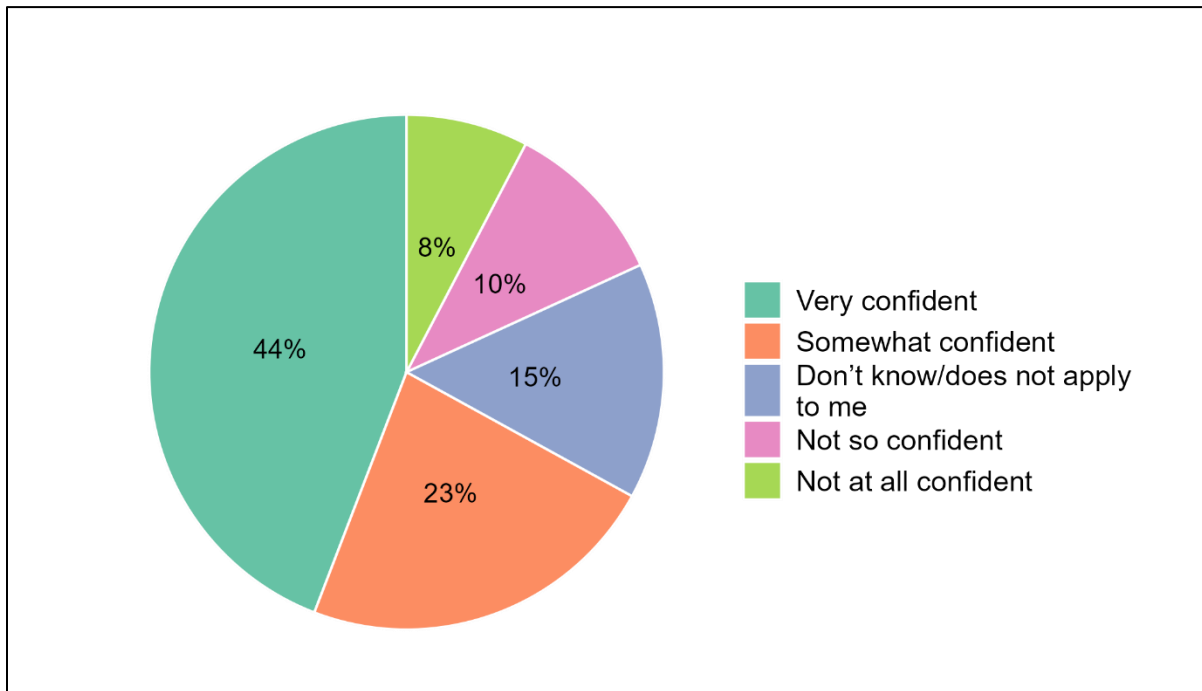
Note: N = 600

*THOSE WHO MOVE MOST OFTEN—
SUCH AS RENTERS, YOUNGER
ADULTS, AND SENIORS—ARE ALSO
AMONG THE MOST VULNERABLE IN
THE HOUSING MARKET, MAKING
BARRIERS TO SECURING HOUSING
ESPECIALLY CONSEQUENTIAL.*

Figure 42 illustrates residents' confidence in their ability to make their upcoming housing payment on time—a key indicator of housing stability. Fewer than half (46%) of respondents said they were *very confident* they could make their next payment, while another 23% were *somewhat confident*. However, nearly one in five respondents expressed uncertainty, with 10% saying they were *not so confident* and 8% *not at all confident*. These findings point to widespread financial strain among residents, with a sizable share facing potential short-term instability.

HOUSEHOLDS FACING THE GREATEST RISK OF MISSING A PAYMENT ARE OFTEN THE SAME ONES WITH LIMITED FINANCIAL CUSHIONS, MAKING EVEN SHORT-TERM INSTABILITY A SERIOUS CONCERN.

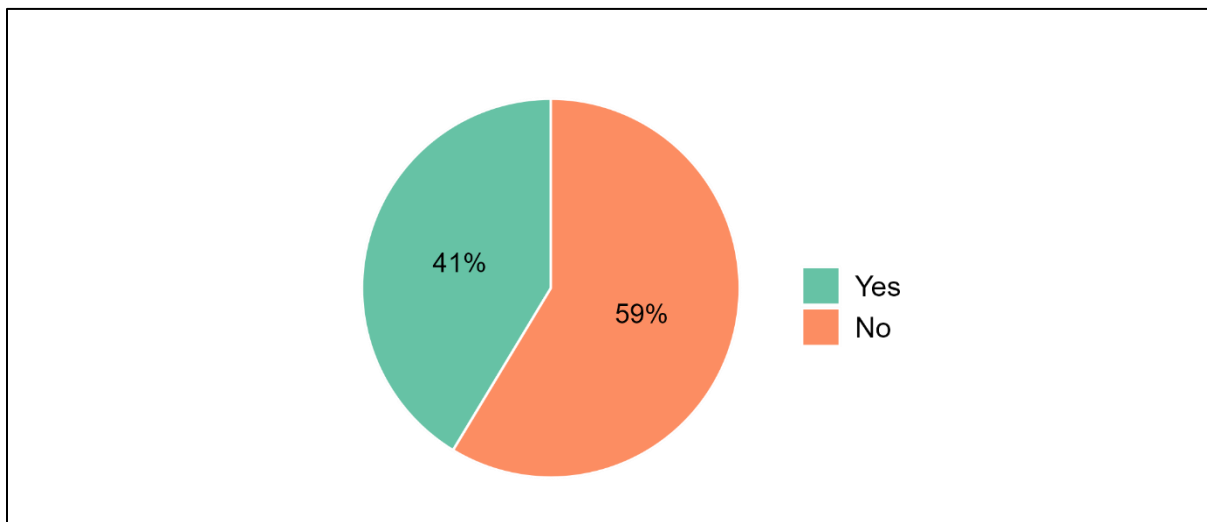
Figure 42. "How confident are you that you (or someone else in your household) will be able to cover your upcoming housing payment on time?"



Source: Matrix Design Group, Inc.
Note: N = 600

As Figure 43 demonstrates, *a substantial share of residents (41%) reported that they have had to reduce spending on essential needs* such as food, medicine, or other basic goods in order to afford housing. This level of financial strain has serious implications for overall well-being, as it suggests that housing costs are not only consuming a disproportionate share of household budgets, but also forcing difficult tradeoffs that can affect health, nutrition, and long-term stability. These patterns underscore the importance of addressing affordability challenges, particularly for lower-income households most at risk of being forced to choose between shelter and other necessities.

Figure 43. "Within the past year, have you limited your consumption of food, medicine, or other essential goods to help cover housing costs?"

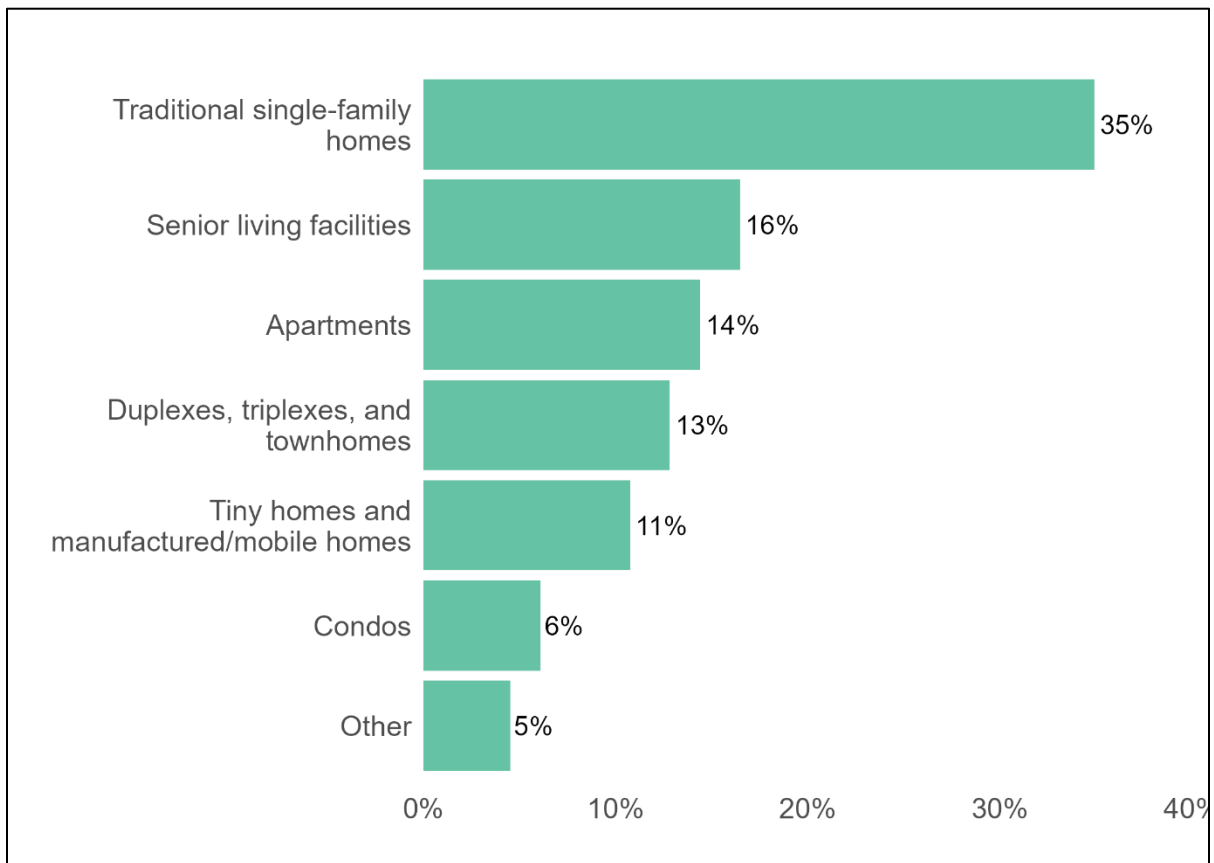


Source: Matrix Design Group, Inc.
Note: N = 600

WHEN FAMILIES ARE FORCED TO CUT BACK ON ESSENTIALS LIKE FOOD OR MEDICINE TO AFFORD HOUSING, THE CONSEQUENCES OFTEN FALL HARDEST ON CHILDREN, UNDERMINING HEALTH, DEVELOPMENT, AND LONG-TERM OPPORTUNITY.

Figure 44 displays the housing types most preferred by respondents, who were allowed to select up to three options. Accordingly, the results represent the share of responses, not individual respondents. Traditional single-family homes received the highest share of responses at **35%**, *signaling continued demand for detached housing*. However, there was also meaningful interest in a *range of more affordable or specialized options*. Senior living facilities accounted for 16% of responses, reflecting the County’s aging population. This option was followed by apartments (14%) and “missing middle” housing types such as duplexes, triplexes, and townhomes (13%). Tiny homes and manufactured or mobile homes made up a combined 11% of responses, suggesting that many residents see these as a potential source of naturally occurring affordable housing (NOAH). Condominiums were the least frequently selected option, comprising just 6% of responses.

Figure 44. "Which of the following housing types would you like to see your community prioritize going forward (Choose no more than three responses)"



Source: Matrix Design Group, Inc.

Note: N = 1,263

When asked to identify the most pressing housing issues facing Worcester County, respondents were invited to select up to three options (see Figure 45). The most frequently cited concern (identified by 21% of responses) was that *younger people are unable to afford to buy homes*. This likely reflects both the rise in home prices and the gap between local wages and the costs of entering homeownership, which is particularly challenging for younger adults without accumulated equity or family support.

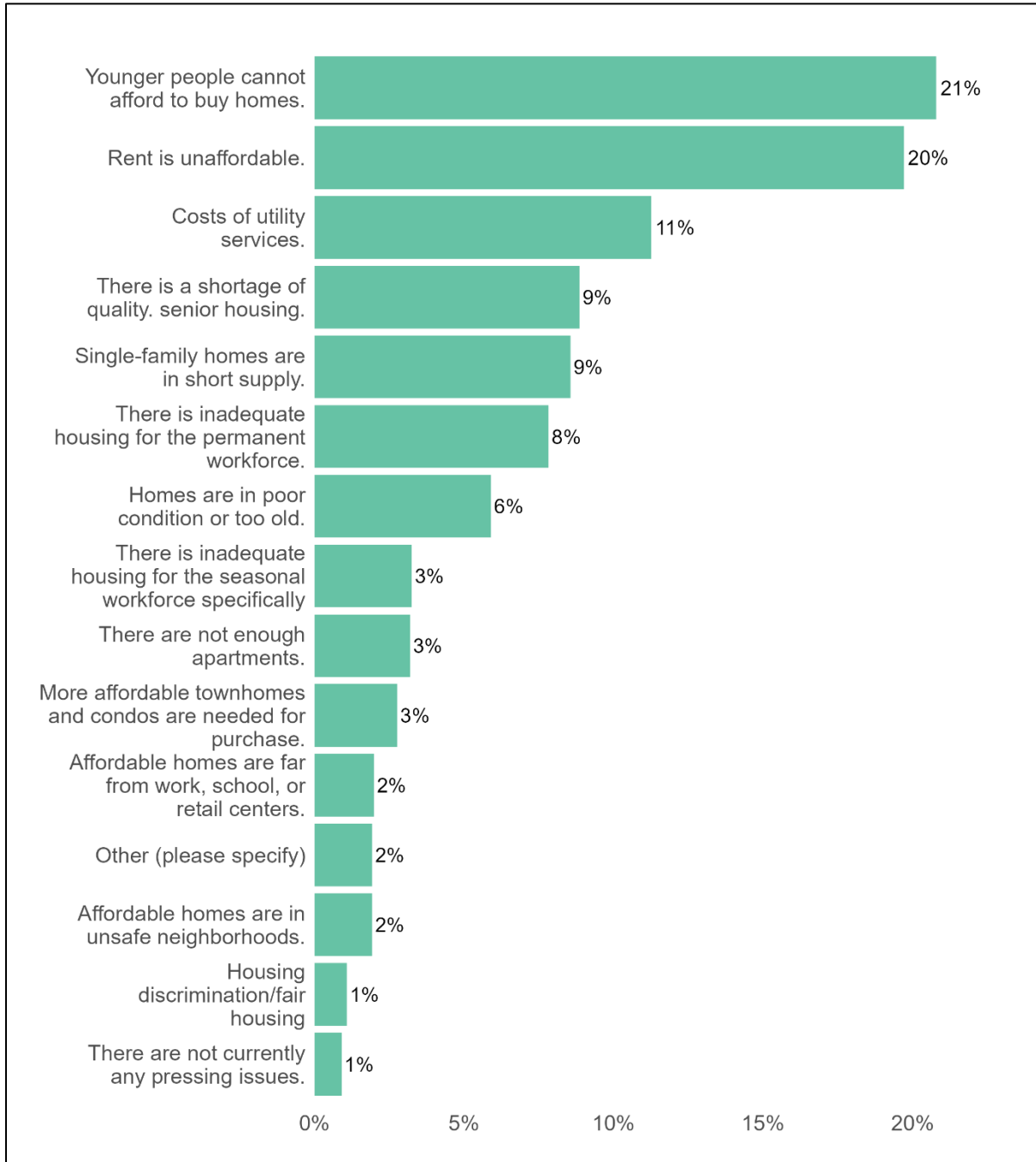
A similarly high percentage of responses *cited unaffordable rents* as a top concern. This aligns with other findings from the study, including the sharp increase in asking rents observed over the past year. Escalating rental costs may be contributing to housing instability and forcing residents to make trade-offs in housing quality, location, or other basic needs.

Other concerns reflect both cost pressures and gaps in supply. Eleven percent of responses cited the cost of utility services, suggesting that even when housing is affordable, ongoing operating costs can strain household budgets. Nine percent of responses cited a shortage of quality senior housing, and an identical share highlighted a short supply of single-family homes, underscoring gaps across different segments of the housing market.

Respondents also expressed concern about the availability of housing for the permanent workforce (8%) and the age and condition of the housing stock (6%). Seasonal housing and apartment shortages each received 3% of responses, while other options garnered minimal support. These results suggest a broad recognition that the County's housing challenges are not limited to affordability alone, but also encompass supply, quality, and fit for different populations.



Figure 45. "What do you see as your community's top three most pressing housing issues (Choose no more than three responses)"



Source: Matrix Design Group, Inc.

Note: N = 1,659

Stakeholder Interviews

Matrix conducted interviews with a variety of housing-focused organizations across Worcester County, including community housing advocates, local realtors, and representatives from state housing authorities. These conversations highlighted several common themes related to both the challenges and opportunities present in Worcester County's housing market.

Key Challenges

Stakeholders identified a number of persistent barriers to addressing housing needs in Worcester County. These challenges span infrastructure constraints, seasonal workforce dynamics, geographic disparities, and the condition of the existing housing stock.

Sewer Infrastructure Constraints

Sewer compliance was widely cited as a major obstacle to both housing rehabilitation and new development. Many existing homes require costly septic or holding tank upgrades to meet current standards. In some cases, these requirements also mandate larger lot sizes, which may not be feasible for certain properties. These conditions make it financially difficult for homeowners to maintain or improve their homes and limit the potential for expanding housing supply.

Geographic and Seasonal Housing Pressures

- **Seasonal dynamics in Ocean City** were described as a major driver of housing instability. Many rental leases are structured around the tourist calendar, ending in early summer to allow for conversion to short-term vacation rentals. This shift reportedly leads to a seasonal surge in homelessness and limits long-term housing options for local renters.
- **Workforce housing shortages** in Ocean City were also noted. Local employees, especially those in the hospitality sector, struggle to find affordable housing near their jobs. Seasonal workers face particular difficulty securing accommodations during the peak tourism months, and limited public transit from more affordable areas exacerbates the problem.
- **Disparities in access for disadvantaged populations** were highlighted across rural areas. Seniors, low-income residents, and individuals requiring assisted living often encounter especially constrained housing options, compounded by a lack of transportation. One stakeholder noted, "Where there are jobs, there are no houses, and where there are houses, there are no jobs and no transportation to get there."

Barriers to Housing Rehabilitation

Stakeholders described a mismatch between the availability of older housing stock and the resources needed to make it usable. Many vacant homes require substantial renovation—including sewer upgrades, lead or asbestos abatement, and structural repairs. These costs were viewed as prohibitively high, leaving potentially viable units unoccupied and deteriorating further.

Opportunities

While challenges are significant, stakeholders also identified a number of strategies that could expand housing access and affordability. Many suggestions focused on reframing public narratives, leveraging data, and exploring funding partnerships.

Reframing Housing Needs as “Workforce Housing”

Several stakeholders recommended shifting the language around housing from “affordable” to “workforce,” arguing that this better reflects current conditions. Since the pandemic, many working families have faced housing struggles traditionally associated with lower-income groups. Using the term “workforce housing” may help broaden public support for projects aimed at young families, first-time buyers, and wage earners priced out of the market.

Evaluating the Balance of Short- and Long-Term Rentals

In the Ocean City area, interviewees emphasized the importance of assessing how the growth of short-term vacation rentals may be affecting the supply of long-term housing. Stakeholders suggested that a clearer picture of this balance could inform future policy or incentives designed to protect housing access for permanent and seasonal workers.

Targeting Resources for Rehabilitation and Demolition

Despite the steep costs, some stakeholders pointed to opportunities for selectively rehabilitating or replacing aging homes using state and local resources. Programs such as the Utilizing Progressive Lending Investments to Finance Transformation (UPLIFT) initiative were mentioned as potential funding sources. Stakeholders emphasized the need for the County to coordinate closely with the Maryland Department of Housing and Community Development to identify viable sites and support private-sector reinvestment in neglected properties.

Key Findings

- Young adults face affordability-related constraints, with nearly 30% of respondents aged 18 to 35 living with parents due to high housing costs and a similar share considering moving back in.
- Many renters aspire to homeownership, but barriers remain: Over half plan to buy in Worcester County, yet nearly 30% expect to rent indefinitely.
- A sizable share of residents are financially strained, with 41% reporting they have cut back on essential goods to afford housing and nearly 20% expressing low confidence in making their next housing payment.
- Housing preferences are diverse, with strong interest in single-family homes, but also notable support for senior housing, apartments, and “missing middle” options like duplexes and townhomes.
- Affordability and supply gaps dominate perceived issues, especially for younger buyers and renters. Respondents also cited concerns over utility costs, senior housing, and workforce housing availability.
- Sewer infrastructure limitations are a widespread barrier to housing rehabilitation and development, making it financially difficult for homeowners to upgrade properties and for developers to expand supply.
- Seasonal rental cycles and workforce housing shortages in Ocean City create instability for year-round renters and employees, particularly those in the hospitality sector.
- Geographic disparities and access challenges disproportionately affect rural residents, seniors, and low-income households, who face limited housing options and inadequate transportation links to jobs and services.

Implications

- Persistent affordability and supply challenges may erode the long-term stability and economic vitality of Worcester County, especially if younger residents and seasonal workers are unable to secure adequate housing.
- Despite limitations of a nonrandom sample, the survey results suggest a public openness to housing interventions, especially those that frame solutions in terms of workforce needs, intergenerational challenges, and economic sustainability. This creates an opportunity to build momentum for actionable policies and funding initiatives.



Existing Housing Efforts & Strategic Opportunities

Worcester County employs a combination of local, state, and federal housing programs to improve living conditions, support vulnerable residents, and expand access to affordable homes. While these existing initiatives provide an important foundation, the County also faces ongoing challenges that require new tools, resources, and policy innovations. This section outlines both the programs currently in place and a range of potential funding sources, policy recommendations, and strategic opportunities that together can guide Worcester County toward a more comprehensive and sustainable housing strategy.

Current Housing Programs & Initiatives

Worcester County actively utilizes several local, state, and federal programs designed to rehabilitate existing housing, improve living conditions, and expand affordable housing access for low to moderate-income residents. These efforts create a strong foundation for addressing housing challenges identified in the County's housing study. Key current programs include:

Worcester County Housing Rehabilitation Program

This locally administered program offers grants and loan funding for general home rehabilitation and lead abatement services targeted at owner-occupied properties. Since 1987, the program has rehabilitated approximately 10-12 homes annually, prioritizing households with health or safety hazards, disabled or elderly homeowners, and extremely low-income families.

Community Development Block Grant (CDBG) Program

Worcester County receives \$300,000 in CDBG funding every two years from the Maryland Department of Housing and Community Development (DHCD). These funds support rehabilitation activities for 12 to 15 low- and moderate-income homeowners living in substandard housing units. The CDBG allocation is supplemented by additional funding through DHCD's Special Loans Program.

Operation Rebuild Program

Through DHCD's Operation Rebuild, Worcester County assists owner-occupied single-family homeowners in replacing substandard homes with new, code-compliant housing through low-interest loans. As of 2024, the County has supported the replacement of 10 dwelling units under this program.

Partnerships for Weatherization and Accessibility Improvements

The County partners with Shore Up! Inc. to provide weatherization and energy-saving measures for eligible households. Additionally, referrals are made to Chesapeake Housing Mission for the construction of handicapped-accessible ramps to support residents with disabilities.

Healthy Homes Initiative

A collaborative effort between Chesapeake Housing Mission, Atlantic General Hospital, and the Worcester County Health Department, this initiative targets unsafe and unhealthy living conditions among poverty-level residents. It provides critical home repairs, promotes health and safety education, and reduces fall risks and illness caused by substandard housing environments.

Housing Choice Voucher Program (HCVP)

Administered at the state level, this program provides rental assistance subsidies to eligible low-income families to afford safe, decent rental housing in the private market within Worcester County.

Maryland Affordable Housing Trust (MAHT)

The Maryland Affordable Housing Trust supports nonprofit and public agency projects providing safe, decent affordable housing. The County was recently awarded a two-year MAHT grant for \$300,000 under the Plumbing Poverty Program, which supports owner-occupied households earning less than 50% of median income that lack basic plumbing facilities.

Potential Housing Funding Sources

Securing diverse and sustainable funding will be critical to expand and scale Worcester County's housing initiatives. A combination of federal, state, and local sources, as well as partnerships with nonprofit and private actors, can maximize available resources and support long-term housing goals. Potential funding sources include:

Federal Resources

- **HUD HOME Investment Partnerships Program (HOME):** Flexible funding for affordable housing development and rehabilitation, often paired with local matching funds.
- **Housing Choice Voucher (HCV) Program / Project-Based Vouchers:** Provides rental assistance that can be paired with new affordable housing development.

- **USDA Rural Development Programs:** Including Section 502 Direct Loans and Section 504 Home Repair Loans and Grants, particularly relevant for Worcester County's rural areas.

State of Maryland Programs

- **Rental Housing Works (RHW):** Provides gap financing for affordable multifamily projects.

Special Loans Programs

- **(SLP):** Targeted finance tools through MD DHCD, offering funds for rehabilitation, accessibility improvements, lead paint abatement, and weatherization.

Local and Regional Funding Sources

- Worcester County can consider dedicating local funds through a Housing Trust Fund or similar mechanism, using developer impact fees, tax increment financing, or dedicated revenue streams.
- Regional foundations, community development financial institutions (CDFIs), and nonprofit partners can provide supplementary grants or low-interest loans to fill gaps in state and federal support.

Private Sector & Public-Private Partnerships (PPPs)

- Partnering with banking institutions under the Community Reinvestment Act (CRA) can secure affordable capital for housing initiatives.
- Developers incentivized through density bonuses, tax abatements, or expedited permitting can help increase affordable housing supply at reduced public expense.



Policy Recommendations

Worcester County would benefit from developing a comprehensive housing strategy that addresses current challenges and opportunities. This strategy should focus on improving the quality and safety of existing housing, strategically targeting funds to areas of greatest need, and increasing the supply of housing that is affordable and attainable for all income levels. Through these recommendations, the County should aim to maximize funding effectiveness and ensure residents have access to safe, high-quality, affordable homes that support long-term community goals.

Financial Incentives for Affordable Housing

To expand affordable housing, Worcester County should seek to utilize a range of financial incentives including grants, low-interest loans, tax credits, and housing vouchers. By leveraging federal, state, and local funding sources alongside partnerships with private and nonprofit sectors, the County can encourage the development and rehabilitation of affordable units. These incentives are designed to maximize resources and promote long-term housing stability across the community.

Direct Assistance Programs

Direct Assistance Programs provide grants, low-interest or deferred loans, or tax credits directly to individuals or developers to help create or maintain affordable housing. These programs can support the development of new housing, as well as assist low- and moderate-income households with home repairs, rehabilitation, or rental assistance. They increase housing stability by reducing costs for vulnerable residents and addressing unsafe or substandard housing conditions.

Currently in Worcester County, programs such as the Housing Rehabilitation Program and the Community Development Block Grant (CDBG) provide grants and low-interest or deferred-payment loans for essential home repairs, often eliminating upfront costs. Maryland state housing programs also offer down payment assistance, mortgage credit certificates, and fee reductions for eligible buyers. For housing-related legal matters, residents can request court filing fee waivers based on income. Additionally, organizations like Worcester County GOLD (Giving Other Lives Dignity) provide emergency financial help for rent, utilities, or deposits, effectively reducing or eliminating costs that could prevent access to housing. Overall, these resources aim to make housing more affordable and accessible for those in need.

Benefits for Worcester County

Expanding direct assistance programs such as grants, loans, and tax credits will increase housing stability for residents in unincorporated areas. It helps local workers, seniors, and essential low-income households remain housed despite rising costs. This support mitigates risks related to substandard or unsafe housing and helps to prevent displacement, preserving community character. Additionally, home repairs such as weatherization and energy efficiency upgrades can help to decrease resident's utility costs and reduces the strain on local utility providers.

Implementation Considerations

Outreach should be expanded to rural communities like Girdletree, Stockton, and Newark, where awareness and access are limited. Simplifying application processes and partnering with trusted local groups such as nonprofits, faith-based organizations, and local businesses will

enhance accessibility. A portion of assistance funds should be reserved for designated growth areas outside towns, and incentives added to prioritize housing for essential workers, including teachers, police, firefighters, and EMS personnel.

Leveraging State and Federal Programs (LIHTC, HTF)

Worcester County should strategically deploy government funding and tax incentives to catalyze private investment in affordable housing. Two notable programs include the Low-Income Housing Tax Credit (LIHTC) and Housing Trust Fund (HTF). LIHTC is a competitive federal tax credit used to finance affordable rental housing projects. HTF provides grants or loans supporting construction, rehabilitation, or preservation of affordable homes. Together these programs increase affordable housing supply and encourage partnerships between public agencies and private developers.

Benefits for Worcester County

Programs like LIHTC and HTF attract private investment and encourage high-quality affordable rental development, including in unincorporated areas. This expands the housing supply, reduces rental pressures, and fosters public-private partnerships that can deliver innovative and sustainable housing solutions.

Implementation Considerations

The County should identify and promote vacant or underused County-owned land near growth nodes as preferred sites for LIHTC or HTF-supported projects. Offering local incentives, including gap financing, public land donation or sub-market rate sales, and reduced development fees can increase competitiveness for state and federal funding. Local government-led technical assistance can be provided to nonprofit and mission-driven developers focused on rural and workforce housing to increase project feasibility.

Expanding Tax Increment Financing (TIF)

Tax Increment Financing (TIF) is a financing tool that captures future property tax increases from new development to fund public infrastructure and affordable housing today. Counties can designate TIF districts where incremental tax revenues help pay for infrastructure improvements or fill funding gaps in affordable housing projects. This approach supports growth areas without raising general taxes and can leverage private investment in desired growth areas.

Benefits for Worcester County

Strategic use of TIF can generate funds for affordable housing and public infrastructure in unincorporated growth zones without increasing countywide taxes. This supports mixed-income development and infrastructure upgrades that benefit growing communities, especially in Sustainable Community areas and corridors like US-50.

Implementation Considerations

The County should identify potential TIF districts in growth areas and conduct early, inclusive community engagement to prioritize affordable housing uses. Clear affordability targets and performance metrics must be established, with periodic reporting to County Commissioners. Coordination with other funding sources will amplify TIF impact and help sustain public trust.

Strengthening Implementation Support

Strengthening implementation support involves enhancing technical assistance for home buyers and developers, prioritization of first-time homebuyers, the elderly, and residents with disabilities, and monitoring outcomes to improve how affordable housing policies are executed. These implementation supports should include:

- **Guiding home buyers and developers through housing-related applications:** The County should provide technical assistance by ensuring that groups seeking assistance throughout the County are educated and guided during the application process. The County should designate a local representative to guide residents and developers through identifying and aligning funding opportunities, program opportunities, and any other incentive-based opportunity that could provide financial relief. Understandable handouts with funding sources, technical processes, and other relevant information should be offered to developers and residents.
- **Targeting resources to high-need location and residents:** The County should evaluate where current high-need locations and high-need residents are located. By prioritizing resources for these locations and demographics, the County could best utilize their resources to enable or retain affordability for residents who need it most while also meeting the demand in areas that are growing the fastest.
- **Identifying land for development:** The County should proactively identify suitable land within its unincorporated areas for future development. Such land should include any public or institutional land suitable for housing development, as well as vacant developable parcels and underutilized parcels that could support redevelopment, such as aging strip malls or industrial sites, or sparsely used parking lots. This approach will enable faster project delivery and can help the County's to direct development toward intended growth areas.
- **Tracking progress to ensure accountability and outcomes meet community goals:** The County should track implementation of policy initiatives to ensure outcomes meet the expectations of both government and residents. This can be achieved by collecting quantitative and qualitative data, including feedback from residents and developers, as well as success rates of policy initiatives.

Benefits for Worcester County

Providing continuous technical assistance boosts capacity for local builders and nonprofits to undertake affordable housing projects, increasing rural development diversity. Transparent monitoring and public reporting improve resource targeting and accountability, supporting community confidence in County housing initiatives and allowing the County to refine policies to meet future housing goals and needs.

Implementation Considerations

County staff or regional partners should be designated to provide ongoing technical guidance, especially targeting rural developers who face specific barriers. An annual "Housing Needs and Progress" report should be published with geographic breakdowns to highlight successes and address gaps. By gathering regular data on housing needs and local input, the County can enable resource adjustments focused on unincorporated areas with the greatest demand.

Publicly Owned Land

Publicly Owned Land Development: Montgomery County, Maryland

Montgomery County has a strong program to develop lower-density affordable housing on publicly owned land by identifying surplus sites and issuing Requests for Developer Proposals to nonprofit and for-profit developers. An example is the 107 Fleet Street site in Rockville, developed with Habitat for Humanity to provide affordable townhomes for homeownership. The County reduces land costs through discounted sales or long-term leases, applies long-term affordability covenants, and supports zoning reforms allowing missing middle housing types like duplexes and triplexes.

Publicly owned land refers to real property or land that is owned by government entities at the city, county, state, or federal level. This land is managed on behalf of the public and is often designated for various uses such as public facilities, parks, infrastructure, conservation, or future development. Public ownership means the government controls the land's use, with the goal of serving community needs, preserving resources, or supporting public services, rather than private economic interests.

Publicly Owned Land Donation or Discounted Sale for Affordable Housing Development

This recommendation involves the County identifying surplus or underutilized land it owns that could be repurposed for affordable housing development. The County would then donate or sell these parcels at below-market value to qualified affordable housing developers or nonprofit organizations. This reduces land acquisition costs, which is often one of the largest barriers to creating affordable housing, making projects more financially feasible and increasing the scale of potential projects.

Such a program requires the County to establish policies and procedures for identifying suitable land, assessing zoning and infrastructure capacity, and transferring the ownership of the land. The County should prioritize parcels strategically located near growth areas, transit, and essential services, and transfers of land should be prioritized toward projects that offer the highest levels of community benefit. Affordability covenants or deed restrictions should be recorded to guarantee long-term affordability, typically spanning multiple decades.

Benefits for Worcester County

This policy expands affordable housing options for seniors, workforce, and low-income residents in both coastal and inland parts of the County. It supports Worcester County's Housing Element goals by enabling more affordable units in strategic locations, lowering barriers caused by rising land costs. This approach promotes mixed-income communities and housing equity aligned with fair housing priorities and can help the County to direct development as they see fit.

Implementation Considerations

The County should establish clear policies prioritizing affordable housing uses when disposing of public land, ensuring parcels meet zoning and land use requirements for residential development. Affordability covenants should be legally recorded for long-term rent or

ownership protections (e.g., 20+ years). Coordinating land transfer timing with permitting and approvals reduces developer risks and project delays. Monitoring progress and fallback provisions in case of stalled projects ensures developer accountability.

Public land donation and sales can be coupled with regulatory incentives, such as zoning and design flexibility; increased density allowances; reduced parking requirements; and expedited permitting to further increase development feasibility. Notably, the provision of increased incentivization should be reserved for projects that bring high levels of community benefit, such as affordable senior housing or deeply affordable housing. Ongoing monitoring should be employed to ensure compliance with the agreed upon development standards.

Public-Private Partnerships Incorporating Public Land Contributions

Develop collaborative frameworks where Worcester County contributes public land and partners with nonprofits and private developers using innovative financing tools (revolving loan funds, gap financing, TIF, etc.) to close funding gaps and deliver affordable housing.

Benefits for Worcester County

This approach leverages public land assets with financial resources and expertise, increasing the scale and affordability of housing developed locally. It protects long-term affordability through public oversight and supports local partners like Shore Up! Inc. in addressing housing needs. Partnerships also promote efficient use of state programs such as Maryland's Low Income Housing Tax Credit (LIHTC) and Rental Housing Program.

Implementation Considerations

Create formal agreements detailing roles, responsibilities, cost-sharing, and long-term affordability enforcement. Use financial tools alongside land donations to reduce developer risks and ensure project viability. The County should consider the following when donating public land:

- Partnerships that provide the most public benefit
- Land that meets the County's goals for growth and development
- Transparent partner selection
- Inclusive community engagement
- Regular reporting on outcomes

Regulatory Incentives for Affordable Housing

Worcester County's current Comprehensive Plan acknowledges the importance of providing diverse, safe, and affordable housing options for residents of all ages, incomes, and abilities. The plan specifically supports multifamily and mixed-use housing, workforce and senior housing, and emphasizes maintaining equitable housing opportunities aligned with recent state legislative regarding affordable housing and fair housing. It highlights goals to expand housing supply, evaluate needs through data, and collaborate on solutions addressing homelessness and affordability.

A range of regulatory incentives can play a significant role in making affordable housing projects financially feasible and sustainable in Worcester County. Tools such as density bonuses, parking reductions, expedited review and permitting, reduced setbacks, and modified

development standards can all reduce development costs and increase land use efficiency. Together, these regulatory incentives can help achieve the housing affordability goals set out in the Worcester County Comprehensive Plan.

Density Bonuses

Worcester County should consider allowing developers to build more units than zoning typically permits when they include affordable housing in their projects. Maryland state law, including the Housing Expansion and Affordability Act of 2024 ([HB 538](#)), supports density bonuses by requiring certain jurisdictions to allow increased density for qualified affordable housing developments.

Benefits for Worcester County

This incentive facilitates more affordable units on smaller land parcels and lowers per-unit costs by spreading fixed expenses to more units. It encourages diverse housing development and helps meet unmet affordable housing demand while maintaining or increasing overall housing supply. Density bonuses also promote the efficient use of land and can be targeted toward areas of intended growth.

Implementation Considerations

Ensure local jurisdictions comply fully with state density bonus requirements without undue restrictions. Update local zoning codes to reflect evolving state laws and promote awareness among developers, demonstrating the financial benefit they can receive from utilizing such a bonus. Coordinate monitoring to verify affordable unit compliance and affordability durations.

Parking Reductions

Reduce or waive parking minimums for affordable and senior housing developments to decrease construction costs and support the use of alternative modes of transportation. Such reductions are suitable given the lower rates of car ownership among low-income families and seniors, even when adjusted for household size.

Benefits for Worcester County

Lower parking requirements reduce development expenses and increase financial viability of affordable housing projects. Reduced parking also encourages alternative transportation usage, mitigates environmental impact, and creates space for additional units or green space.

Density Bonuses: Montgomery County, Maryland

Montgomery County's MPDU program, implemented in 1974, requires new residential developments of 20 or more units to include 12.5–15% of units as affordable to low- and moderate-income households. Developers receive density bonuses of up to 22% of base density to offset costs and encourage inclusion. The program covers both rental and ownership units, with affordability controls lasting up to 30 years or longer. Eligible households must meet income limits tied to Area Median Income and complete education requirements. The MPDU program has produced thousands of affordable homes, promoting economic diversity and access to opportunity across the County.

Implementation Considerations

Develop clear local policies aligning with state mandates for parking reductions near transit corridors and for target populations. Track impacts on neighborhood parking and adjust guidelines as needed. Educate developers and communities on benefits while addressing and dispelling concerns about parking availability.

Expedited Review and Permitting

Streamline processing times for affordable housing approvals through prioritized and simplified permitting procedures.

Benefits for Worcester County

Faster approvals reduce carrying costs and financing risks, encouraging development of affordable projects. Accelerated timelines get affordable units to market quicker, helping reduce vacancy loss and helping the County to swiftly meet urgent housing needs.

Implementation Considerations

The County should adopt state-recommended timelines and protocols, such as those outlined in Maryland's Housing Expansion and Affordability Act ([HB 538](#)), to ensure predictable and expedited review. Providing training for development review and permitting staff on affordable housing priorities, coupled with implementing electronic applications and tracking systems, will improve efficiency.

Modified Development Standards

Updating zoning standards such as setback requirements, lot size minimums, lot coverage maximums helps facilitate the development of new and smaller housing units, particularly for projects that incorporate affordable or senior units. Reduced setbacks allow buildings to be positioned closer to lot lines, maximizing buildable space. Lower minimum lot sizes enable subdivision into smaller parcels, creating more housing opportunities on the same land. Increased lot coverage permits larger or additional structures on a single lot.

Such flexible zoning standards support housing diversity by enabling compatible infill and clustered development in residential districts like the R-3 Multi-Family Residential District. This approach helps meet community housing needs through form-based standards that allow different housing types, including affordable and senior units, to be built where traditional dimensional rules might otherwise restrict them.

Benefits for Worcester County

These modifications reduce regulatory barriers and construction costs. They enable creative housing designs that better match local market and community needs, facilitating diverse

Modified Development Standards: Frederick County, Maryland

Since 2011, and with significant updates to their fee calculations and exception definitions in 2016, Frederick County, Maryland, has implemented modified development standards as part of its affordable housing strategy to encourage diverse and attainable housing types. The County adjusted zoning provisions to reduce minimum lot sizes, setback requirements, and parking minimums specifically for affordable housing developments. These changes help reduce construction costs and increase development feasibility without compromising neighborhood character.

housing types including smaller or mixed-use developments. When adequately tailored, these development standards can enable higher density development that matches the form and scale of surrounding lower density housing.

Implementation Considerations

Integrate flexibility provisions into local zoning and design guidelines. Ensure modifications are clearly defined and tied to affordable housing criteria to maintain accountability. Monitor development outcomes to balance neighborhood character with increased housing diversity and supply.

Waiving or Reducing Permitting and Review Fees

The County can further target relief by waiving or reducing permitting and review fees specifically for affordable housing projects, such as income-restricted rentals, affordable for-sale homes, or units serving low to moderate-income households. Jurisdictions like Montgomery and Frederick counties already waive several fees for qualifying developments, often requiring that the County transfer funds into the appropriate accounts to offset lost revenue and ensure that public facility funding is maintained.

Benefits for Worcester County

Waiving or reducing permitting and review fees serves as a powerful tool for promoting affordable housing development by directly addressing cost barriers that make projects financially unfeasible. These fee reductions remove significant upfront expenses that can otherwise prevent affordable housing from being built or force developers to require larger subsidies to make projects viable. By lowering the overall cost of building affordable units, this strategy can help attract affordable housing developers and can enable the development of housing that serves even lower levels of affordability.

Implementation Considerations

- **Eligibility Criteria:** Relief measures should be tied to strict eligibility, focusing on income limits, affordability duration, and targeting certain household types (e.g., those earning less than 50% or 60% of Area Median Income, senior citizens, and people with disabilities). The program should prioritize projects aligned with the County's housing plan and demonstrate significant affordability or community benefit. Larger

Waiving Fees: Fredrick County, Maryland

Since 2011, Frederick County operates a fee waiver program for affordable housing projects developed by nonprofits or publicly funded entities. Eligible units must be sold or rented to households earning no more than 60% of Area Median Income, with affordability maintained for at least 40 years, and waived fees can be reclaimed if requirements are broken. This policy has lowered costs for developers, enabled more income-restricted units, and ensured long-term benefits for low-income families while protecting county resources. To offset the forgone revenue, the County uses a diversified funding mix—including the general fund, bonds, recordation taxes, and state support—which already covers the majority of infrastructure costs.

reductions or full waivers should be granted to developments that bring the most community benefit.

- **Integration with Incentives:** Permitting and review fee relief should be linked with other local and state incentives, such as density bonuses, expedited approvals, access to revolving loan funds, tax credits, and infrastructure assistance. Such holistic packages magnify the impact of relief and encourage developers to produce more affordable housing units rather than minimally meeting requirements.

Creative Expansion Ideas

- Establish an official Affordable Housing Permitting and Review Fee Waiver Program codified in County ordinances with transparent criteria and annual reporting.
- Collaborate with state initiatives (like the Maryland Affordable Housing Trust or DHCD grant programs) to pool resources and coordinate on targeting the greatest local housing needs.
- Link fee relief to performance measures, such as longer affordability terms, deeper income targeting, or community benefit pledges, to maximize policy impact.

Workforce Housing

Workforce housing is for moderate-income workers who do not qualify for traditional affordable housing. Those in need of workforce housing generally make too much to qualify for traditional affordable housing financing options, but not enough to afford most market-rate homes and rents. This creates a high need for attainable housing for standard middle-class households, particularly in areas with high housing costs, and can negatively impact the local economy, workforce attraction and retention, and community cohesion.

Incentive Programs

A common solution to the growing need for workforce housing is to take advantage of naturally occurring affordable housing (NOAH) properties, which often take the shape of older and/or smaller housing units. These units help to prevent displacement and can provide long-term affordability. To improve the quality and management of aging units, the County could implement programs to assist residents in improvements, such as low-interest loans and grants for rental rehabilitation, housing repairs, weatherization and energy efficiency upgrades, and lead abatement programs.

Other types of housing that may be attainable for workforce populations include Accessory Dwelling Units (ADUs) and missing middle housing types. These units are typically smaller than standard detached single-family homes and therefore are often cheaper to rent or own. The County could provide additional programs specific to alternative missing middle housing types, to build and improve existing units, as well as support site development standards, density bonuses for rental developments, and overall streamlining processes for by right and pre-approved designs. Creating grants and loan programs to support the above housing types can help to preserve and expand the current workforce housing stock.

Partnerships

The County can work with local developers, non-profits, and employers to promote the construction and retention of workforce housing stock, similar to efforts in Montgomery County. Developers increasingly view workforce housing as an untapped market, serving

households that can afford higher-quality units than traditional affordable housing but fall short of luxury price points requiring greater upfront costs and risks. Supporting developers in ways that align community benefit with financial opportunity can significantly expand the County's workforce housing stock.

Best of Both Worlds: Incentives and Partnerships in Montgomery County, Maryland

Montgomery County, Maryland has created a Workforce Housing program to support developers and employers in the construction and retention of workforce housing and assist residents in finding appropriate housing and rental accommodations. The program is also intended to reduce traffic congestion by providing workforce housing close to employers, shortening commute distances and improving workplace retention. The County partners with local rental property owners to notify those in need of available workforce housing options.

Non-profits frequently partner with municipalities and counties to not only assist in the construction and funding of workforce housing developments, but often to facilitate partnerships with developers as an extension of the municipality or the County itself. Arundel Community Development Services, Inc. is a Maryland non-profit created by Anne Arundel County to oversee and manage all workforce developments and activities. Through this program, developers are incentivized and certified to build workforce housing under direct regulations to protect citizens and their quality needs.

Additionally, it is recommended that the county partner with local chambers of commerce and other public and private organizations to promote workforce housing project investments, as well as to identify and rehabilitate

Employer Housing: Ocean City Police Departmental Housing Program

The Ocean City Police Department offers an employer housing program in which the department leases several houses in the area and subleases these homes at cost to seasonal employees. Rent is automatically deducted from an employee's paycheck and is capped at \$350 per paycheck for 6 paychecks, totaling \$2,100 for the entire season. Furthermore, the department identifies and publishes houses or rooms for rent from officers, officers from other agencies, and friends of the department. Prices are often below the market rate, typically between \$600 and \$800 a month per person.

aging units that may be used for workforce housing in the future. Creating such a database of eligible properties may be a great first step in partnering with willing organizations, non-profits, and local governments to achieve county workforce housing goals.

Employer Housing

Employer-Assisted Housing typically involves public-private partnerships in which employers provide financial assistance to help their employees purchase or rent homes, typically through down payment

assistance, closing cost help, or subsidized mortgages or rents.

Benefits for Worcester County

For employees, these supportive housing programs help overcome barriers to renting or buying a home in the community; for employers, these programs improve recruitment and retention, enabling workers to live near their jobs. These programs are particularly valuable for essential workers like service-sector workers, teachers, healthcare workers, first responders, and government employees who often cannot afford housing near their workplaces.

Implementation Considerations

The County should explore implementing a program for local government employees, similar to the Ocean City Police Department's approach of subsidizing rents during peak months to address housing cost increases associated with seasonal employment pressures. Furthermore, by identifying affordable units, the county can help families secure suitable housing.

Additionally, the County can explore a program like Cape Cod's THRIVE, offering rent or mortgage assistance to essential workers. This program can be funded in part by the County and subsidized by employers, helping to attract and retain workers and bolstering local economic development.

As demonstrated through these case studies, the most successful employer-assisted housing programs involve coordination between employers, government, and housing developers, with particular attention to the unique challenges of seasonal employment patterns and housing cost fluctuations.

Expanding Accessory Dwelling Units (ADUs)

Worcester County currently allows ADUs by-right in all zones where single-family dwellings are permitted. In addition to creating new housing choices, ADUs often represent opportunities for naturally occurring affordable housing (NOAH), due to their smaller footprint and lower cost. These secondary units provide increased housing options without changing neighborhood character, facilitating multigenerational living, and serving as a new source of income for homeowners. In a rural context, ADUs reduce pressure on greenfields by maximizing use of existing lots and infrastructure, supporting both seniors and young families seeking flexible, affordable arrangements.

Pre-Approved ADU Designs

To accelerate the adoption of ADUs, Worcester County should establish a program offering pre-approved ADU design plans. These standardized architectural plans would simplify the permitting process by ensuring early compliance with County building codes and utility connection requirements. Homeowners could select from a range of vetted designs tailored to fit different lot sizes, styles, and contexts typical to Worcester's rural and suburban areas.

Employer Housing: Cape Cod, MA THRIVE Program

In June 2022, the THRIVE (Tools to Help Residents in a Vulnerable Economy) program was launched, which offers rent-burdened nonprofit, childcare, disability care, and education workers with a monthly stipend of up to \$450 toward rent for up to 24 months. This program similarly recognizes the high cost of living in Cape Cod, particularly during the peak tourism season, and helps to subsidize essential workers who might otherwise be priced out of the local market.

Drawing on successful examples from nearby jurisdictions and East Coast communities, such as Montgomery County, the County could partner with local architects or design firms to develop a portfolio of modular, energy-efficient, and locally appropriate ADU templates. The program could include clear application checklists and step-by-step permitting guidance to assist homeowners throughout the process. In addition to potentially accelerating approvals, pre-approved designs would help maintain quality and architectural consistency within neighborhoods.

By implementing this program, Worcester County would reduce costly barriers, increase affordable and multigenerational housing options through an aging-in-place approach, and empower residents to benefit from rental income opportunities.

Implementation Considerations

Implementation considerations for a pre-approved ADU program in Worcester County include:

- **Community Engagement:** Conduct early and ongoing outreach to residents and stakeholders to gather input on preferred designs, and market the program once it is in place to ensure residents and developers know how to navigate it.
- **Streamlined Permitting:** Develop simplified, transparent permitting processes with clear checklists and timelines to reduce barriers and costs for homeowners.
- **Technical Assistance and Education:** Provide resources, workshops, and guidance to homeowners to help navigate design, application, and construction of ADUs.
- **Monitoring and Evaluation:** Establish systems to track ADU development and refine the program as needed to facilitate continued ADU development.

ADUs: Somerset County, Maryland

Somerset County, Maryland's rural Eastern Shore, updated its zoning ordinances to allow ADUs in residential and rural areas, specifically targeting seniors and low-income residents. The County streamlined the ADU permit process and offered outreach to help homeowners navigate requirements and access design or financing help. As a result, families have more options to support aging relatives and earn rental income, strengthening affordability and community stability through aging in place policy. Somerset County has shown through this initiative how clear zoning, simplified permits, and practical resources enable ADUs to meet rural housing needs.

Utilizing HB 538 (2024)

[HB 538](#) (The Housing Expansion and Affordability Act) establishes a legal pathway for ADU adoption locally. The law and related state task force recommendations encourage flexible zoning, relaxed parking requirements, and adaptable policies to suit both urban and rural needs. Worcester can use HB 538 as a framework to remove barriers, streamline permitting, and ensure that new ADUs contribute to affordability and incremental growth.

HB 1466 (2025)

[HB 1466](#), also known as the Accessory Dwelling Units Act of 2025, provides definitions, parking limitations, and size limitations for ADUs and mandates that every local legislative body in Maryland adopt laws authorizing ADU development on all land zoned for single-family residential use by October 2026. The legislation also regulates development impact fees,

addresses utility connections, and prevents the use of subjective design standards to prevent additional barriers to construction. Worcester County's Accessory Apartment regulations were already consistent with the bill.

Missing Middle Housing Policies

Middle housing, often referred to as “missing middle” housing, includes housing types such as duplexes, triplexes, townhomes, and cottage courts. These moderate-density options fill the gap between single-family homes and larger multifamily apartments, offering diverse, more affordable, and neighborhood-compatible housing choices. According to Worcester County's Comprehensive Plan housing chapter, attainable housing emphasizes smaller, more affordable homes tailored to changing demographics and economic realities, which aligns with the goals of promoting middle housing types to meet local needs.

While the Plan broadly addresses housing diversity and affordability, it does not explicitly reference “missing middle housing” or recommend targeted zoning changes to facilitate the development of duplexes, triplexes, townhomes, and other moderate-density housing types that can fill the gap between single-family homes and larger multifamily buildings.

Zoning Updates

To fully realize the Comprehensive Plan's housing goals, Worcester County should update its zoning code to explicitly incorporate missing middle housing as a permitted and encouraged land use in appropriate zoning districts, such as the R-2 Suburban Residential District, the R-3 Multi-Family Residential District, and the R-4 General Residential District. Although R-3 and R-4 already explicitly permits some missing middle housing types, such as townhomes, cottage courts/courtyard apartments, and two-family and multi-family dwellings, the districts could further expand these explicit uses to include other popular types of missing middle that could fit the characteristics of the unincorporated county. For example, while the districts allow for "two-family dwellings," it may not specifically accommodate the full range of duplex configurations, including side-by-side duplexes and stacked duplexes. Additional missing middle types that should be explicitly permitted may include bungalow courts, triplexes, and quadplexes.

Pre-Approved Middle Housing Designs

To encourage middle housing development, Worcester County should provide a portfolio of ready-to-build, pre-approved design plans for various middle housing types. These standardized designs reduce barriers such as design costs and complicated permitting, thus accelerating construction timelines and lowering overall costs. Providing builders and homeowners with vetted architectural templates promotes housing diversity while ensuring quality and compatibility with neighborhood character.

Implementation Considerations

Successful middle housing policy implementation requires careful alignment across multiple factors:

- **Zoning Alignment:** Codes must be updated to explicitly permit and encourage middle housing types in suitable residential zones, with clear development standards and flexibility allowing creative housing solutions.

- **Infrastructure Capacity:** Growth should be matched with public water, sewer, and transportation service availability, using overlay districts or phased development approaches to ensure sustainable expansion.
- **Community Engagement:** Early and inclusive engagement with residents and stakeholders is essential to generate support and address concerns related to neighborhood scale, aesthetics, and impact.
- **Monitoring and Evaluation:** Ongoing data collection and analysis are important to track housing outcomes, affordability impacts, and refine policies over time.

Utilizing HB 538

[HB 538](#) offers a legislative framework encouraging local governments to reduce barriers to affordable and diverse housing, including streamlining ADU permitting and supporting missing middle housing types. Worcester County can leverage HB 538's provisions to update zoning codes, standardize pre-approved designs, and implement regulatory incentives that promote middle housing development while ensuring consistency with state housing goals and funding opportunities.

Short Term Rental (STR) Considerations

Most short term rentals (STRs) in Worcester County are located near or within municipalities close to Ocean City and other tourist hotspots, catering to high demand during the summer season. The high countywide presence of STRs raises affordability concerns because they reduce housing availability, ultimately driving up housing prices and making it harder for residents to find affordable homes.

To ensure affordability within unincorporated Worcester County in response to the rise of STRs, the County should implement targeted regulations limiting the concentration of STRs in unincorporated areas to prevent reduction in long-term housing availability and help maintain community stability.

- Establish minimum stay requirements to balance tourism demand with community stability. This policy is similar to efforts seen in Ocean City where a minimum 5-night stay [ordinance](#) was introduced for certain neighborhoods. Requiring minimum stays balances the need to support tourism while protecting housing stock for year-round residents, reducing turnover and neighborhood disruption.⁴
- Continuing strict compliance checks on safety, noise, parking, and occupancy standards to maintain neighborhood quality. Ongoing enforcement of health, safety, and occupancy regulations ensures protection for tenants and neighbors while supporting effective County monitoring and regulation of STRs. The County can explore the use of software to scrape STR listings to capture unlicensed rentals, and can levy fines, revocation of occupancy permits, or other enforcement measures in cases of noncompliance.
- Use revenue from STR license fees and taxes to fund affordable housing initiatives or community services. Fees and taxes from STR operators can generate dedicated funds to

⁴ It is worth noting that in a referendum, this ordinance was rejected by voters, although by a slim margin (800 in favor vs. 834 opposed). Such action should include a community engagement component to identify viable specific zoning districts and overall resident interest.

support affordable housing projects or services, helping to offset housing affordability impacts caused by STRs.

- Engage the community and stakeholders in policy development to ensure regulations reflect local priorities while preserving housing options for residents year-round. Involving residents, business owners, and other stakeholders fosters transparent decision-making and builds public support for STR regulations, increasing compliance and addressing local concerns.

Monitoring and Evaluation

Effective implementation of housing initiatives in Worcester County requires ongoing coordination, resource allocation, and continuous assessment to ensure goals are met and policies remain responsive to community needs.

Coordination: Establish strong partnerships among developers, community stakeholders, local government departments, and residents to support transparent and collaborative plan execution. Regular forums and feedback mechanisms should be used to engage all parties actively, address challenges, and celebrate successes.

Funding and Resources: Secure and strategically allocate funding from local budgets, state programs, and federal grants to finance housing development, infrastructure improvements, and supportive services. Prioritize leveraging available housing-related resources such as Maryland's Department of Housing and Community Development programs and Community Development Block Grants to maximize impact.

Monitoring and Evaluation: Implement a robust system to track key metrics including housing production rates, affordability levels, permit processing times, and community satisfaction. Use this data to evaluate the effectiveness of zoning reforms, incentive programs, and outreach efforts. Establish regular reporting cycles that allow decision-makers to make informed, data-driven adjustments to policies and programs, ensuring continuous improvement and alignment with evolving housing needs in Worcester County.

Implementation

Table 10 translates Worcester County’s housing strategies into actionable steps. Organized by policy, timeframe, relevant department, and expected outcome, it provides a clear framework for implementation. This format ensures that each recommendation is tied to a responsible party, a realistic schedule, and measurable results, helping the County track progress and maintain accountability.

Table 10. Implementation Table

Policy	Timeframe <i>(This is the timeframe from when the County initiates the implementation of the policy recommendation)</i>	Relevant Department	Expected Outcome
Direct Assistance Programs	Within 3-6 months after initiation Ongoing after program is created	Development Review & Permitting, Economic Development, County Commissioners	Increased access to affordable housing for residents through direct financial and service support.
Leveraging State and Federal Programs (LIHTC, HTF)	Ongoing after initiation	Development Review & Permitting, Economic Development	Enhanced utilization of state and federal financing programs, accelerating affordable housing development.
Expanding Tax Increment Financing (TIF)	18 months	Development Review & Permitting, Economic Development, Treasurer’s Office	Expanded redevelopment funding through TIF to support affordable housing projects.
Strengthening Implementation Supports	6 months	Development Review & Permitting, Economic Development	Strengthened implementation capacity through educating relevant participants using technical assistance and enforcement support.

Publicly Owned Land Donation or Discounted Sale for Affordable Housing Development	Ongoing after initiation	Development Review & Permitting, Economic Development, County Commissioners, Treasurer's Office	Increased availability of land for affordable housing via donation or discounted sales.
Public-Private Partnerships Incorporating Public Land Contributions	Ongoing after initiation	Development Review & Permitting, Economic Development, County Commissioners	Successful public-private partnerships leveraging public land to increase affordable housing stock.
Density Bonuses	12 months	Development Review & Permitting, County Commissioners	Higher density developments incentivized through bonuses, boosting affordable unit supply.
Parking Reductions	12 months	Development Review & Permitting, County Commissioners	Reduced parking requirements to lower costs and barriers for affordable housing projects.
Expedited Review and Permitting	6 months	Development Review & Permitting, County Commissioners	Faster permitting processes enabling quicker project approvals and starts.
Modified Development Standards	1-3 years	Development Review & Permitting, County Commissioners	Adoption of flexible design standards facilitating diverse affordable housing types.
Waiving or Reducing Fees	12 months	Development Review & Permitting, County Commissioners	Waived or reduced fees to decrease development costs and promote project viability.

Deferring Fees	12 months	Development Review & Permitting, County Commissioners	Deferred fee structures improving developers' cash flow during construction phases.
Workforce Housing	1-3 years	Development Review & Permitting, Economic Development, County Commissioners	Development of housing targeted to local workforce needs improving affordability and retention.
Employer Housing	1-3 years	Development Review & Permitting, Economic Development, County Commissioners	Employer-supported housing initiatives increasing local housing options connected to jobs.
Pre-Approved ADU Designs	1-3 years	Development Review & Permitting, County Commissioners	Approved ADU designs, reducing time and cost to build ADUs.
Pre-Approved Middle Housing Designs	1-3 years	Development Review & Permitting, County Commissioners	Pre-approved "missing middle" housing designs, simplifying development processes and costs.
Short Term Rental (STR) Considerations	12 months	Development Review & Permitting, Economic Development, Tourism, County Commissioners	Balanced short-term rental policies protecting long-term affordability and possible disruptions to existing neighborhoods.
Monitoring and Evaluation	Ongoing after initiation	Development Review & Permitting	Continuous monitoring, evaluation, and reporting to guide effective policy enforcement and updates.



Full Community Survey Results

1. Do you currently live in Worcester County?
 - a. Yes (94%)
 - b. No (6%)
2. For verification purposes only, please enter your address. This will be kept strictly confidential and will only be used to confirm that you live in Worcester County.
3. Which community do you reside in?
 - a. Pocomoke City (8%)
 - b. Berlin (21%)
 - c. Ocean City (9%)
 - d. Snow Hill (33%)
 - e. Ocean Pines (18%)
 - f. Bishopville (3%)
 - g. Girdletree (1%)
 - h. Newark (2%)
 - i. Stockton (1%)
 - j. West Ocean City (4%)
 - k. Whaleyville (1%)
 - l. Showell (0%)
 - m. South Point (1%)
4. Do you own or rent your home?
 - a. I rent my home or live in a home rented by another member of my household. (16%)

- b. I own my home or live in a home owned by another member of my household. (81%)
 - c. Other (2%)
5. If you are between the ages of 18 and 35, have you continued living with your parents or moved back in with them in the past few years due to challenges affording housing on your own?
- a. Yes, I currently live with my parents because housing costs are too high. (6%)
 - b. No, but I considered it because of high housing costs. (5%)
 - c. No, I have been able to afford housing independently. (10%)
 - d. I am not between the ages of 18 and 35. (79%)
6. If you are currently renting your home, do you plan to buy a home in your community or somewhere else in Worcester County in the future?
- a. Yes, I plan to buy a home in Worcester County within the next two years. (4%)
 - b. Yes, I plan to buy a home in Worcester County within the next three to five years. (2%)
 - c. Yes, I plan to buy a home in Worcester County at some point, but I am not sure when. (7%)
 - d. No, I plan to buy a home outside of Worcester County. (2%)
 - e. No, I plan to continue to rent indefinitely, either in Worcester County or elsewhere. (6%)
 - f. I am not a renter. (79%)
7. Why do you plan to buy a home outside of Worcester County?
- a. Proximity to work (0%)
 - b. To be close to friends or family (12%)
 - c. Homes are more affordable elsewhere (47%)
 - d. Homes are in better condition elsewhere (0%)
 - e. Access to better schools (0%)
 - f. Lower property taxes (12%)
 - g. Lower cost of living (12%)
 - h. Concern about crime or safety in Worcester County (0%)
 - i. Better public transportation or commute options (0%)
 - j. Prefer a different climate or environment (6%)
 - k. Other (please specify) (12%)
8. How long have you lived in your current housing?

- a. Less than one year (7%)
 - b. 1 to 3 years (18%)
 - c. 4 to 6 years (22%)
 - d. 7 to 10 years (13%)
 - e. More than 10 years (40%)
9. How difficult was it for you to locate your current housing?
- a. Very difficult (15%)
 - b. Difficult (13%)
 - c. Somewhat difficult (26%)
 - d. Not difficult at all (46%)
10. How satisfied are you with your current housing?
- a. Very satisfied (41%)
 - b. Satisfied (31%)
 - c. Neutral (17%)
 - d. Dissatisfied (6%)
 - e. Very dissatisfied (5%)
11. How satisfied are you with the overall affordability and availability of housing in your community?
- a. Very satisfied (9%)
 - b. Satisfied (16%)
 - c. Neutral (21%)
 - d. Dissatisfied (29%)
 - e. Very dissatisfied (26%)
12. How confident are you that you (or someone else in your household) will be able to cover your upcoming housing payment on time?
- a. Very confident (44%)
 - b. Somewhat confident (23%)
 - c. Not so confident (11%)
 - d. Not at all confident (8%)
 - e. Don't know/does not apply to me (15%)
13. Are housing costs a major source of stress in your life?
- a. Yes (51%)

- b. No (49%)
14. Within the past year, have you limited your consumption of food, medicine, or other essential goods to help cover housing costs?
- a. Yes (41%)
 - b. No (59%)
15. Have housing costs significantly hindered your ability to do any of the following (Check all that apply)?
- a. Pay off non-housing debt (e.g., credit cards or student loans) (15%)
 - b. Pay for home repairs (13%)
 - c. Save for retirement (17%)
 - d. Save for emergencies (19%)
 - e. Pay for medical care (7%)
 - f. Pay for education (5%)
 - g. Pay for childcare (3%)
 - h. Pay for transportation (7%)
 - i. None of the above (16%)
16. How important is it for your community to offer a wider variety of housing options?
- a. Very important (59%)
 - b. Important (20%)
 - c. Somewhat important (11%)
 - d. Not important at all (10%)
17. Which of the following housing types would you like to see your community prioritize going forward (Choose no more than three responses)
- a. Apartments (14%)
 - b. Condos (6%)
 - c. Traditional single-family homes (35%)
 - d. Duplexes, triplexes, and townhomes (13%)
 - e. Senior living facilities (16%)
 - f. Tiny homes and manufactured/mobile homes (11%)
 - g. Other (please specify) (5%)
18. How concerned are you about homelessness in your community?
- a. Very concerned (30%)

- b. Concerned (25%)
 - c. Somewhat concerned (28%)
 - d. Not at all concerned (18%)
19. What do you see as your community's top three most pressing housing issues (Choose no more than three responses)
- a. There is a shortage of quality senior housing. (9%)
 - b. Younger people cannot afford to buy homes. (21%)
 - c. Rent is unaffordable. (20%)
 - d. There is inadequate housing for the permanent workforce. (8%)
 - e. There is inadequate housing for the seasonal workforce specifically (3%)
 - f. Homes are in poor condition or too old. (6%)
 - g. Single-family homes are in short supply. (9%)
 - h. There are not enough apartments. (3%)
 - i. More affordable townhomes and condos are needed for purchase. (3%)
 - j. Costs of utility services. (11%)
 - k. Affordable homes are far from work, school, or retail centers. (2%)
 - l. Affordable homes are in unsafe neighborhoods. (2%)
 - m. Housing discrimination/fair housing (1%)
 - n. There are not currently any pressing issues. (1%)
 - o. Other (please specify) (2%)
20. What is your age?
- a. Under 18 (0%)
 - b. 18-24 (1%)
 - c. 25-34 (10%)
 - d. 35-44 (22%)
 - e. 45-54 (21%)
 - f. 55-64 (23%)
 - g. 65+ (23%)
21. Within the past year, how much has your entire household earned in income?
- a. Less than \$25,000 (7%)
 - b. \$25,000 to \$49,999 (13%)

- c. \$50,000 to \$74,999 (15%)
 - d. \$75,000 to \$99,999 (15%)
 - e. \$100,000 to \$149,999 (21%)
 - f. \$150,000 to \$199,999 (10%)
 - g. \$200,000 or more (10%)
 - h. Don't know (9%)
22. How many people live in your household (including you)?
- a. One (14%)
 - b. Two (40%)
 - c. Three (18%)
 - d. Four (17%)
 - e. Five or more (11%)
23. What is the highest level of education you have completed?
- a. Less than high school (1%)
 - b. High school diploma or equivalent (15%)
 - c. Some college or associate's degree (32%)
 - d. Bachelor's degree (23%)
 - e. Graduate or professional degree (28%)
 - f. I'd rather not say (1%)
24. What is your race?
- a. White (81%)
 - b. Black (10%)
 - c. American Indian or Alaska Native (0%)
 - d. Asian (0%)
 - e. Native Hawaiian or Pacific Islander (0%)
 - f. Other (1%)
 - g. Two or more races (2%)
 - h. I'd rather not answer (6%)
25. Are you Hispanic or Latino?
- a. Yes (1%)
 - b. No (94%)

- c. I'd rather not say (5%)
- d. Thank you for taking the time to share your feedback. If you have any additional comments about housing in your community or Worcester County more broadly, please provide them below.

Below is a representative sample of responses:

Cable/Wi-Fi rates as well as water costs are very high or promise to be very high going forward. This is a significant concern for me and my neighbors.

Enforcement of derelict properties- either owners need to have them torn down or sell them cheaply so someone else could afford to fix it up. Not by property flippers, but as an owner occupied dwelling.

Age in housing is a concern and having an in-law apartment on my property would be a huge benefit to my family

I'm a local REALTOR, we need affordable single family homes for our young population!

With older housing stock needing rehabilitation, standards for approval of building permits need to be reasonable, not insurmountable. All towns, except Snow Hill, make rehabilitation requirements reasonable.

Towns need help with infrastructure/capacity to accommodate new housing from developers.

The community doesn't need more housing, it needs more jobs in the area.

Taxes are too high! Sewer and water are too expensive. Oil is very expensive!

Shortage of year round rentals due to increase in short term rentals. Rent is more expensive than a mortgage. Shortage of inventory.

More and better subsidized housing for senior and disabled populations is needed

More single family houses, condos and apartment complexes should be located close to town and near schools, parks and recreation facilities.

Keeping Worcester affordable needs to be a priority, especially for working class folks. New construction seems highly priced and older housing stock often gets converted to new construction. Prioritizing affordable development is important to ensure workers can live in the north end of the county.

My 21 year old son cannot afford to move out even though he has a good job and makes a decent salary.

Properties are being purchased by people who have moved here in the last few years. It's great that they're buying properties. However, they are fixing them up and charging exorbitant amounts for selling prices. If they are renting them, it's more than someone makes in a month for the monthly rent. I have two daughters in their 20s and they both feel like they're not able to afford a home or rent.

I love this area and have lived in Berlin for the last 33 years. Infrastructure (or lack there of) needs to be solved before considering "any" new housing