

Central Virginia Planning District Regional Housing Market Analysis

HousingForward Virginia

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About

 Web version available

The preferred format for this report is an interactive website available at the URL below.

<https://housingforwardva.github.io/cvpdc/>

This document is the PDF version of the Central Virginia Planning District Commission's 2023 Housing Market Analysis Study. The report was completed by HousingForward Virginia to provide the region with a clear understanding of housing affordability in the region and ways to address the issues identified. The study was completed thanks to funding from Virginia Housing's Community Impact Grant.

It is currently a draft and not meant to be publicly circulated at this time.

If you have any questions or problems with this PDF, please email jonathan@housingforwardva.org.

About HousingForward Virginia

This report was written by HousingForward Virginia, the Commonwealth's trusted resource for affordable housing data and actionable insights. Advocates, planners, developers, and mission aligned organizations rely on us to help them build connections and advance their work. With our support, they're able to better identify needs, influence decision makers, and ultimately increase access to affordable housing for all. HousingForward Virginia is a 501(c)3 nonprofit organization based in Richmond, Virginia.

For more information, visit: <https://www.housingforwardva.org>

About Central Virginia Planning District Commission

The Central Virginia Planning District Commission (CVPDC), formally known as Region 2000 District Commission, is the regional planning entity for Planning District 11. The

region includes the City of Lynchburg, Amherst County, Appomattox County, Bedford County, Campbell County, and the Towns of Altavista, Amherst, Appomattox, Bedford, and Brookneal. The CVPDC works to provide services for member localities and identify and develop opportunities for coordination among the region's local governments. Additionally, the CVPDC encourages and facilitates collaboration among local governments in addressing challenges and opportunities of greater-than-local significance.

For more information, visit: <https://www.cvpdc.org/about/about-cvpdc.html>

Importance of a regional housing study

Housing challenges span local boundaries.

Communities throughout the Central Virginia region face different housing challenges, but the need for more affordable housing is a common thread in rural, suburban, and urban areas. A diverse and accessible housing supply is critical for promoting equitable and sustainable communities, and housing affordability is a basic need for individuals and families at all income levels. A regional housing study acknowledges that housing markets extend beyond individual communities and that decisions made in one area can have far-reaching consequences in neighboring communities.

The Central Virginia Planning District is composed of four primarily rural counties and the City of Lynchburg. Over the last few decades, steady suburban development expanding away from the central city has connected these urban and rural areas via sprawl.

In recent years, the region has seen moderate population growth primarily driven by domestic migration. These new residents are likely choosing the region for its lower cost of living and good economy, especially due to the rise of remote work options following the COVID-19 pandemic. This trend mimics similar changes across other regions in the Commonwealth, and throughout the nation.

However, the rising demand for housing has led to higher home prices and lower vacancy rates. New residents, particularly those from Northern Virginia and other high-cost areas, may have the resources to successfully compete in the current market, while current residents do not. Local homebuyers find themselves with few options, and housing affordability continues to be a major challenge for people of color, renters, and those living alone.

By pursuing a wide range of housing for people of all incomes, the region can be a place to call home for both new and current residents. By embracing a regional perspective, local policymakers can develop more holistic and effective strategies to address housing affordability, equity, transportation, and sustainability, resulting in a more resilient and inclusive regional housing market that aligns with the vision of a thriving region.

Part I

PART 1: Research and engagement

1 Background research

This section reviews comprehensive plans, strategic plans, and other housing analysis documents created by localities within the CVPDC, listed below. The two major goals of this review are:

1. To understand historic strategies addressing housing needs in the region, including relevant programs and policies identified by regional leadership, and
2. To identify and organize existing and future housing trends across the region.

Content analysis was performed to determine the presence of repeated words, themes, or concepts across documents, synthesized below in three subsections:

1. Consistent themes across the region,
2. Unique submarket and locality issues, and
3. Contradictions or conflicting priorities in the region.

1.1 Key highlights

The region has a blend of urban and rural housing needs combined with concentrated suburban growth and changing household demographics. While none of these trends are wholly unique to the area (compared to other peer regions in Virginia), they still interact in a specific and unique way.

Lynchburg, as the region's core city, has its own long-standing and emerging challenges that are less relevant in the surrounding counties. However, its local approaches towards transportation and housing could stand as a regional model for other localities considering how to address affordability and to connect aging residents to homes and services.

Additional takeaways include:

- Every community in the region has a desire to sustainably guide and shape new development in ways that **prevent strains on resources and preserve the character of existing communities**, particularly in rural areas.
- All localities recognize the need to **proactively address their land use regulations and infrastructure investments** to promote new development in the places they want to see.

- A greater diversity of housing types and improved social/medical infrastructure will be necessary to **meet the needs of changing demographics in the region**, especially aging seniors.
- The need for **small-scale mixed use** and infill developments in towns, and a growing prevalence of **short-term rentals**, are examples of specific challenges faced in certain parts of the region.
- The **uneven distribution of new growth** across the region will further stress the housing market without proactive efforts to manage and capitalize on these trends.

These findings contribute to early analysis of existing conditions and compliment local listening sessions held with regional leadership in December 2022.

1.2 Documents included in this analysis

Regional

- Amherst County Comprehensive Plan (2027)
- Forward Amherst: Office of Economic Development Strategic Plan (2022)
- Appomattox County Comprehensive Plan
- Bedford County Comprehensive Plan (updated 2015)
- CVPDC Annual Report (2021)
- Campbell County Comprehensive Plan (2034)
- Central Virginia Continuum of Care Strategic Plan (2020-2023)

Cities and towns

- Town of Alta Vista Comprehensive Plans (2016, 2045)
- Town of Amherst Comprehensive Plan (2017)
- Town of Appomattox Comprehensive Plan (2035)
- Town of Bedford Comprehensive Plan (2017)
- Lynchburg CHNA (2018-2021)
- Lynchburg Analysis of Impediments to Fair Housing (2020)
- Lynchburg Master Plan (2040)

1.3 Consistent themes

A number of repeated ideas were found across all documents. These shared themes are useful in capturing attitudes and challenges that characterize the CVPDC, and can be a meaningful starting point for determining shared priorities for regional leadership.

Concentrate housing, commerce, and public facilities in a mixed-use pattern within designated urban development areas (UDAs) or planned urban development (PUDs).

The region desires a balance between growth and the preservation of its rural character. UDAs, PUDs, village-center developments and other related tools are mentioned as ways counties can target growth and density over the next 10-20 years, allowing for minimal disruption to the lower density rural and agricultural lands throughout the area.

Considerations of how to use incentives to attract and encourage focused development are also found across housing plans, including fast track permitting and plan review, reduced application fees, and new density bonuses.

Study the impact of local zoning and subdivision ordinances as they relate to housing, and develop strategies to revise them in support of this goal.

As in other parts of the Commonwealth, zoning evaluations are becoming a priority for regional leadership as they move towards controlled density. Re-examining how current ordinances can be amended to reduce barriers to housing development is a priority common across many plans.

Improve the regional infrastructure necessary to expand residential development.

Infrastructure gaps pose a barrier to development in more rural parts of the region and particularly in the counties surrounding Lynchburg that are seeing increasing growth. These gaps include missing utility connections required for new residential subdivisions, as well as services needed for new businesses to enter the region.

Priorities and policies across the region look to address this barrier in order to better attract future employers and residents, including how to pair this priority with UDA development incentives (i.e. financing new water and sewer extensions).

Stitch housing with services to address the growing needs of the elderly and population.

One demographic trend that can be seen across the region is an increasingly aging population. This is prompting planners to look for strategies to encourage universally designed housing that is connected to the medical and social facilities needed by older adults.

Pursue greater diversity and higher standard of quality for the regional housing inventory.

This priority summarizes a group of related strategies, including addressing blight and rehabilitating the existing housing inventory, offering a variety of housing options to a shrinking household size, and creating design standards to create aesthetically pleasing and safe housing.

1.4 Unique issues

A number of locality-specific issues were also visible in analysis, particularly in the towns and within Lynchburg where the urban form and housing inventory vary from the surrounding counties. These submarket issues help bring detailed priorities into focus from a larger regional perspective.

Generate the mixed-use development of historic town main streets.

Many towns like Altavista, Bedford, and Appomattox are pursuing mainstreet revitalization, with the goal of creating ground-level opportunities for business with upper-story housing to attract new residents and activity.

Use infill development to add to housing inventory in older existing neighborhoods and new growth areas.

Amherst and Bedford county include infill development strategies in their housing plans in order to minimize impact to the environment and re-purpose vacant or underutilized land.

Pursue more multifamily options as an alternative to single-family and manufactured housing.

Manufactured housing exists as a naturally occurring form of affordable housing for many parts of the region, but certain localities, including Campbell County, are seeing multifamily units outstrip these as the affordable housing development of choice.

Assess short-term and seasonal rentals.

The counties are distinct from each in regards to their demand for short-term rentals and attempts to regulate these units. For example, Bedford County has a strong tourism industry that has resulted in more short-term and seasonal rentals than other parts of the region. Lynchburg, in contrast, has a high number of student-occupied rentals. Approaches to these different non-permanent housing options differ.

1.5 Lynchburg analysis

Lynchburg is distinct enough from the rest of the region in its challenges, needs, and demand that its housing analysis has been separated out from other submarket issues.

The city has already performed a number of housing assessments to identify existing challenges and priorities to pursue, including three unique goals pulled here:

1. Combine transportation and housing goals by placing housing near mobility hubs, park and ride, and other transit stops.

2. Create a racial equity framework for addressing housing issues in the city.
3. Create an affordable housing trust fund and adopt inclusionary zoning policies.

The Lynchburg Analysis of Impediments to Fair Housing revealed a number of key points about equality of housing opportunities in Lynchburg, including the way that rental assistance further isolates poor and minority populations. The location of residents receiving tenant-based federal rent assistance (Housing Choice Vouchers) is inversely related to those areas offering the greatest opportunity.

Racial equity goals also tie into transportation and inclusionary zoning priorities as ways to holistically connect lower-income populations to jobs and services across the city and deconcentrate poverty. The high number of students and young people (22% of the population) is also impacting the need for affordable and accessible rental housing to a greater extent than in much of the rest of the region.

1.6 Conflicts and challenges

Reviewing and analyzing plans from a regional perspective not only allows for the identification of consistent and discrete themes, but also potential conflicts in housing priorities. These challenges can help regional leadership consider how approaches in some localities may compete with or impact others and contribute to a balanced outlook on the area's future goals.

While the counties surrounding Lynchburg are experiencing growing wealth and housing development, historic downtowns and urban centers in the region continue to experience concentrated poverty and subsidized housing that is disconnected from nearby opportunity.

Although housing affordability does not appear to be a major concern in places like Bedford County, there is a concentration of federally-assisted affordable housing within the Bedford Town limits (the largest in the region, outside of Lynchburg).

Similarly, while Timberlake, Forest, and Madison Heights areas continue to see some of the fastest growth in the region, the adjacent Lynchburg still experiences economic and housing segregation.

Fast growth in some areas, combined with slow growth and population stagnation elsewhere, places a conflicting strain on the housing inventory.

Bedford County experienced the highest growth in the region (16% since 2010) thanks to many new residents moving in from elsewhere in Virginia. Meanwhile, Campbell and Amherst counties saw very low or negative population growth. This demographic imbalance places a strain on the region's housing market.

While high-growth areas of Bedford require unique solutions (such as proactive zoning changes and infrastructure planning), so too do the shrinking or stagnating areas elsewhere in the region. Maintaining the quality of existing housing—and ensuring aging residents in older homes have necessary resources—should be a priority.

2 Engagement and outreach

From December 2022 to February 2023, HousingForward Virginia conducted meetings with local government officials, as well as focus groups of housing practitioners, from communities served by the Central Virginia Planning District Commission.

The findings from this engagement are foundational context for the analysis and solutions that will follow in the full regional report. Participants' responses were organized into four sections: housing market dynamics, challenges and needs, service provision, and proposed solutions.

2.1 Key highlights

Housing market dynamics

Housing demand outstrips supply in the Central Virginia region in nearly all sectors of the market. This dynamic has led rents and home prices to surge. Local residents are increasingly outbid by newcomers from larger metro areas who are relocating and have higher purchasing power. Affordable options for low-income renters are now disappearing, leading to increased housing insecurity.

Challenges and needs

A wide range of regulatory, economic, and political barriers prevent new housing from being easily produced today. Local governments only have control over some of these areas—notably land use—but have room to make improvements. Some challenges, such as limited senior housing options and an accelerating short-term rental market, will require unique solutions.

Service provision

Housing agencies and nonprofit providers are doing good work, but their current capacity is far below the current (and growing) needs of low-income renters, homeowners, and persons experiencing homelessness.

Proposed solutions

Participants' ideas for improving housing opportunities included (but were not limited to) new messaging strategies, expanding cross-sector collaborations, reducing zoning barriers, and generating new locally-funded housing assistance programs.

2.2 Engagement completed

2.2.1 Locality kick-off meetings

In December 2022, HousingForward Virginia and CVPDC staff met with representatives from local governments across the region. These kick-off meetings were an opportunity for HFV to learn about housing-related issues and questions that localities would like to see addressed in the study. The following local governments and organizations were represented at these meetings:

- Town of Alta Vista
- Amherst County
- Amherst County Service Authority
- Amherst County Adult Protective Services
- Town of Amherst
- Appomattox County
- Town of Appomattox
- Bedford County
- Town of Bedford
- Town of Brookneal
- Campbell County
- City of Lynchburg

2.2.2 Focus groups

Following HousingForward Virginia's visit to the region to attend kick-off meetings with local government, a series of virtual focus group sessions were held to hear from other organizations, businesses, and professions connected to housing in the CVPDC.

Four focus groups were held from the end of January into the month of February, and included the following parties, with some attending multiple sessions:

A total of 56 individuals were engaged through these discussions. Input from these focus groups helped diversify insights into the current conditions and challenges facing the region's housing. These talks, in combination with the locality meetings, helped identify overarching themes described in the following sections.

Real estate and listing agents	<ul style="list-style-type: none"> • Karl Miller Realty • Kathy Carlson Realty • Mark Dalton Realty • James River Housing Partners • Thalhimer • Lynchburg Community Action Group • Lighthouse • Central Virginia Alliance for Community Living • Greater Lynchburg Habitat for Humanity • Lynchburg Redevelopment and Housing Authority • Piedmont Community Impact • Miriam's House • Bedford Housing Coalition • Legal Aid Society – Lynchburg • Amherst County Habitat • Scott Insurance • NRV Builders/Ryan Homes • AC Capital, LLC • NRV Builders • Perrow Corporation • Gerdy Construction Company • Campbell County Schools • Georgia-Pacific Corporation • Fleet Laboratories • Liberty University • BWX Technologies • Centra Health • Foster Fuels • Randolph College
Housing/service providers	
Homebuilders and developers	
Employers	

2.3 Housing market dynamics

All parties engaged for this study were first asked to describe the current conditions of the housing market in the region. Eight different themes emerged from their responses.

The overall housing supply is not keeping pace with demand in the region.

Nearly all participants described an acute shortage of available affordable and market rate housing. This is particularly true for single-family housing, with affordable options (generally described as homes priced under \$250,000) largely missing or snatched up quickly.

This has meant first-time buyers in particular have had a difficult time finding their ideal housing, forcing them to remain in their unpreferred situation (i.e. renting or living with family) longer than they desire.

Outside of Lynchburg, finding a diversity of housing options is difficult. Many places lack the types of housing that would help attract young professionals and graduates, which presents a long-term challenge for an otherwise aging local population.

Housing affordability in the region is directly influenced by broader state and national economic trends.

The Central Virginia region has not been immune to the same macroeconomic forces affecting housing markets elsewhere since 2020. These trends include:

1. Increased migration from higher-income areas due to working professionals and retirees looking for more affordable options.
2. Supply chain and labor shortage issues stalling housing construction.
3. Growing housing instability as pandemic-era rental assistance and eviction prevention measures have expired.
4. Rising interest rates in 2022 forcing many first-time homebuyers back onto the sidelines.

Each of these factors has contributed to rising housing costs across the area.

Four distinct groups of homebuyers often compete against each other.

Participants outlined four types of buyers in the region today. While some have specialized needs, many are looking for similar opportunities and driving up prices.

1. First-time buyers
 - Participants found clear consensus that a single-income earner from the area cannot buy a single family home in the current market. This impacts first-time buyers more than the other categories of buyers, who typically have less savings and are recent graduates or early in their careers.

- Some homebuyers who purchased when interest rates were still low are opting to keep or transition their properties as rentals rather than selling, further impacting the amount of available single-family homes that would normally be ripe for first-time buyers.

2. Relocation buyers

- Many new buyers are relocating to the Central Virginia region from larger metro areas, both within the state and from the Northeast. This migration began in earnest during the pandemic with the rise of work from home options.
- Buyers coming from these larger markets often purchase homes upfront with cash and are able to afford home prices that are typically unaffordable to local residents. Participants noted that these buyers are purchasing homes both as primary residences as well as investment properties.

3. Upsizing/downsizing families

- The influx of relocating retirees and as well as locals aging in place has meant a large portion of the region's population is looking for attractive downsizing options. This has increased demand for single-level patio-style homes and homes with lower maintenance needs.
- At the same time, there are young couples and families looking to "upscale" their current apartment or townhome, according to some participants. These households are likely to place a high value on proximity to their jobs and childcare options.

4. Investors

- The influx of remote workers and retirees from higher-wealth areas has resulted in growing investment property activity.
- Focus groups identified several common types of investors, including parents of university students who purchase a home for their child (and roommates) to rent, and wealthy out-of-state buyers securing vacation rental properties around Smith Mountain Lake.
- These purchasers often beat out other families and first-time buyers in a limited housing inventory and high-demand market.

Homebuilders are doing their best to create products that meet changing demand.

The growing demand for townhomes and other options for entry-level buyers is well understood by both developers and localities. Participants provided numerous examples of recently completed, in-progress, and proposed townhome developments in every locality. These included single- and multiple-lot infill projects as well as village-style greenfield developments.

Anecdotally, new homes of this type were described as priced around \$250,000 to \$275,000, and marketed to both young and old buyers.

New manufactured homes are filling the vacuum for affordable homeownership options in lieu of other options.

Outside of the immediate Lynchburg area, newly placed manufactured homes are satisfying demand for low-cost homes, according to many local government officials. Most of these homes are purchased directly from the manufacturer (e.g. Clayton Homes) and placed on rural lots. Including land, total costs can be around \$150,000—much lower than other traditionally-built new homes in the region.

Faced with accelerating prices, low-income renters have few options.

A major theme repeated throughout all conversations was the persistence of COVID-era economic impacts on the region's renters. Rents have risen to an all time high due to increased demand and limited supply, while local wages have remained largely static. This has left many renters, especially those on fixed incomes, increasingly cost burdened.

Service providers also shared that more barriers to housing have appeared since the pandemic. Landlords have started to require higher deposits or income limits, which disqualify many low-income renters—even those with Housing Choice Vouchers.

The lack of low-cost housing is leading to an increase in homelessness across the region.

Both local officials and focus group participants shared major concerns about the growing prevalence of homelessness and housing insecurity over the past year. This was directly attributed to increased housing costs and near-zero availability of deeply affordable homes.

In Lynchburg, the overall number of persons experiencing homelessness was noted as stable or possibly declining. However, participants from suburban and rural areas consistently reported increasing rates of "hidden" homelessness. This includes persons living in cars, tents, campers, and motels, as well as those doubled-up with another household.

Broadband access significantly influences the housing choices of both existing and new residents.

Reliable high-speed internet is a necessity for many households in 2023. They need access for work, school, healthcare, and entertainment. As a result, broadband is now a required amenity for just about every homebuyer in the region, regardless of their origins.

Recent expansions of broadband service in many of the relatively dense areas, especially around Smith Mountain Lake, has contributed to higher demand and escalating prices. This has often come at the expense of existing residents, who have less purchasing power than newcomers from Northern Virginia and other wealthier areas.

2.4 Challenges and needs

Participants shared their perspectives on the primary challenges and needs found in the region's housing market today. Their feedback was organized into seven themes.

Opposition to new housing prevents both local and regional solutions to address residents' needs.

Many participants decried an enduring refusal to take steps toward housing affordability in multiple communities. This opposition can be common among existing residents, as well as some elected officials. Misguided fears over home values, crime, and traffic are regularly cited as reasons to reject new housing, especially denser options that are more affordable by design.

Fragmented philosophies on growth and development have also prevented a regional vision for housing from forming. While some localities are actively finding ways to attract new residents, others want the opposite. In some cases, these preferences are at odds with broader market and demographic forces.

Worsening availability and affordability of housing in the region is actively impeding economic development goals.

Across the board, participants made the case that the limited supply of housing options in Central Virginia is now stymying ongoing economic development efforts. Major employers, including many local governments, described the challenges their employees have faced searching for housing. High-earning executives and lower-wage workers alike are finding it increasingly difficult to find a satisfactory home.

As a result, many local economic development officials are beginning to make housing a priority. They fear that the employers and jobs they want to attract to strengthen and diversify their workforce will begin to pass over the region for other areas with better housing availability. This concern also extends to the region's organic workforce of high-school and college graduates who are increasingly unable to afford to live in their hometowns.

Developers must overcome a range of regulatory and financial challenges to successfully build homes in Central Virginia.

Based on conversations with builders, local officials, and other stakeholders, five distinct barriers were identified as challenges to the development of new homes.

- 1. Land use and zoning**

- Many large housing developments in the region, whether single-family or apartments, have to complete a public entitlement process that introduces additional costs and delays. This process also requires public hearings, where small but loud groups of residents can lobby against new housing.

- Certain development requirements in local zoning ordinances can also have outsized impacts. For example, the Town of Bedford requires a full site plan approval before rezoning—which some developers called a nonstarter.

2. State environmental and transportation regulations

- In some parts of the region, especially smaller towns like Amherst, local zoning requirements are not a barrier at all. Instead, despite strong efforts by staff to attract new residential development, state environmental and transportation regulations that apply to larger-scale plans prevent proposals from penciling out.
- Runoff abatement, road infrastructure, and other requirements were all cited as major challenges to development for infill sites within towns. As a result, developers will instead build on the edges of suburban markets, where greenfield sites are cheaper and easier to develop.

3. Supply chain issues and labor shortages

- Developers explained how post-COVID supply chain issues continue to impact access to, and costs of, needed materials. This, in turn, lengthens development timelines and adds onto costs—both of which increase prices.
- There was also consensus that the labor force and vendor network needed to handle the volume of housing demand is missing. While the region has an abundance of college students, it is missing skilled trade education, resulting in plumbers and electricians coming to serve the region from as far as Richmond or Northern Virginia.
- In Lynchburg, the current scale of tract-like production of multifamily townhomes has sapped the local pool of contractors and subcontractors, making it harder to address the demand for other forms of housing.

4. Gaps in public infrastructure

- In the greater Lynchburg area, water and sewer capacity is a hard limit on where developers can build homes.
- While public authorities are actively working to expand these services, they are challenged by a concurrent need to replace existing lines at the end of their lifespan, as well as increasing difficulties securing funds to cover this work.

5. Rising interest rates

- Developers were candid about the impacts changing interest rates and the recovering economy has had upon their work. Prior to summer 2022, when rates were still at historic lows, many developers and investors looked to expand their portfolios through both new construction and acquisitions.
- As rates have since increased, construction and major rehab work has slowed down—despite demand remaining.

Desirable housing options for aging residents are hard to find.

Focus groups discussed the increasing demand for patio homes and single-story homes for seniors to age in place. This confirmed ongoing demographic trends found in analysis of existing regional plans that show a need to accommodate an aging population.

Real estate agents also noted that the region is marketed as a retirement community to those living in Northern Virginia, Virginia Beach, and Maryland, which has attracted more older adults looking for options that suit their needs.

While participants provided several examples of new patio-style developments in different parts of the region, they cautioned that not all were to be age-restricted, and that this new supply is still far below demand.

An aging population also means growing numbers of older residents passing away or moving into assisted living homes. When this happens, they leave their homes in varying conditions that can make it difficult to readily re-list them on the market. Some participants suggested that homeowners looking to weatherize or repair older homes often face tangled titles or ownership issues that can prevent needed maintenance.

Finally, some participants shared a desire to see more multigenerational dwelling options in the region, whether through accessory dwelling units (ADUs) or just by intentional development in areas better connected to social and medical services.

Renters with the lowest incomes face the poorest housing conditions.

High demand and low supply of homes affordable to low-income households has allowed some landlords to delay much-needed improvements to their units. Participants described this dynamic as most prevalent in mobile home parks, parts of Lynchburg, and in some smaller towns.

In many of the region's mobile home parks, rents have risen significantly, despite the large share of old units built prior to universal safety standards set by HUD in 1976. These homes are well beyond their functional lifespan and often have chain of title issues.

Anecdotally, focus group participants shared that many Lynchburg renters avoid pushing for needed improvements to their homes, for fear of retaliation or blacklisting by the limited landlord options in the area. Town representatives also discussed problems with slumlords keeping their properties in undesirable conditions, despite pleas from tenants and town staff alike.

These problems contribute to growing instances of overcrowding and homelessness in the region. When renters have so few options, they will often be forced into motels, doubling up in cramped single-wide mobile homes, or resorting to living out of their car.

Localities do not have the right tools to solve housing quality problems.

Even when local governments are eager to reduce blight and improve housing quality, they are hampered by both legal and capacity issues. Representatives from several towns

shared their frustration with state code restricting their ability to enforce building and maintenance codes.

Furthermore, legal barriers notwithstanding, towns and some counties in the region all stated that they do not have the proper staffing to regularly inspect properties and enforce requirements they already have on the books.

In Lynchburg, however, city officials are expanding funds and staff capacity to go after tax delinquent properties that have been vacant for a long period. Still, because this process is governed by Virginia state code, city officials noted certain ways they remain unable to address the full range of problem properties.

Short-term rentals are booming—and inconsistently regulated.

Demand for short-term rentals (STRs) across the region has increased significantly over the past several years. Much of this demand can be attributed to recreational tourism in Amherst County, vacationers at Smith Mountain Lake, and visitors to Liberty University.

Despite their increased prevalence, STRs are not consistently regulated by localities across the region. For example, Campbell County requires an SUP for all STRs and limits the number of visitors during a stay. Bedford County, on the other hand, now has much looser restrictions—leading to the number of STRs in the county to increase from 200 to 450 during the pandemic.

2.5 Service provision

Participants were asked to describe the current ability of housing service providers to meet residents' needs. They identified four major takeaways.

The current capacity of nonprofit providers is insufficient to support the growing needs of low-income renters.

Local service providers mentioned the expanding needs of their clients and the severity of housing issues facing low-income people in the area. While nonprofits and local churches have attempted to help renters get caught up on debts from COVID, they reported feeling that "pockets aren't big enough" to meet the financial need in our engagement sessions. This is particularly true for clients that require braided resources, creating a juggling process for service providers who can only help fund or support for partial services.

Service providers shared that clients have experienced job losses, medical emergencies, or a need to support family and children out of school that has resulted in unpaid rent growing to levels beyond their ability to assist. As in other parts of the Commonwealth, renters have experienced a misunderstanding of what the eviction moratorium meant in terms of their rental debt continuing to accrue. Some providers anecdotally cited an average of \$7,000 as the back rent facing many low-income renters.

The Lynchburg Redevelopment and Housing Authority shared their efforts to keep families housed, including extending time on existing Housing Choice Vouchers to help families struggling to find options. Rising rental rates and persisting stigma against HCV holders has resulted in some landlords refusing low-income renters and finding a way around state law that prohibits this type of discrimination.

Clients with compounding special service or accessibility needs, who require more than what LRHA can provide, turn to unsafe or less than ideal housing options offered to them in a tight rental market. While the City of Lynchburg has a rental inspection program and other initiatives intended to help clear out unsafe housing with their enforcement mechanisms, in practice, multiple focus group attendees voiced a desire to see the city use these tools to the full extent.

Home repair and rehab work is admirable, but scattered and insufficient.

Nonprofit developers are seeing a dramatic increase in home repair needs as homeowners defer maintenance due to financial hardship and a lack of support measures. A wide assortment of nonprofits and community organizations (including Habitat for Humanity affiliates and local church groups) are working to meet these needs, but there appears to be little coordination among providers, and demand far exceeds their current capacity.

One bright spot is the Town of Altavista, which is using DHCD's Acquire, Renovate, Sell (ARS) program to turn problem properties into new affordable homeownership opportunities. The Claire Parker Foundation is also working independently to "flip" blighted homes in the town.

Providers cannot adequately measure and address housing instability outside of the city.

While participants considered the Continuum of Care well-connected for homeless service providers in the region, they added that there are still not enough affordable housing options to help people permanently exit the homelessness system.

Tracking the struggles of the county residents, particularly for indicators of instability and homelessness, is also an ongoing challenge for service providers. Many focus groups discussed the hidden homelessness problem outside of Lynchburg, which appears in the form of overcrowded single-wide trailers and doubling-up with extended families.

Another part of the difficulty in serving vulnerable populations in the region is transportation and accessibility challenges. In rural areas, individuals are so spread out that providing needed medical and social services becomes a challenge, something particularly important to the increasingly aging population of the region.

Missing social infrastructure, like affordable childcare and transportation, places further limitations on housing choice and workforce development.

Participants regularly described how the lack of important social infrastructure places artificial limitations on where many families can live and work, especially outside of the

immediate Lynchburg area. The two issues consistently raised were childcare and transportation.

The limited number of affordable and accredited childcare options requires parents to make certain sacrifices, such as forgoing work shifts to watch their children, or living doubled-up with extended family so they can provide childcare.

Likewise, limited transportation options can stifle workers and families from thriving. One participant called attention to many industrial jobs that require Sunday shifts being out of reach for those without cars because public transportation options are reduced on Sundays.

Part II

PART 2: Findings

3 Regional market analysis

The following provides a regional-level analysis of major trends impacting housing within Central Virginia Planning District region. All data has been aggregated to the regional-level and includes:

- Amherst County
- Appomattox County
- Bedford County
- Campbell County
- City of Lynchburg

3.1 Takeaways

- Population growth as a result of domestic migration due to COVID-19 pandemic
- Growing renter population — particularly a growing higher income renter population
- More and more smaller households coming to the region
- Continuing income disparities — between white and Black households
- Loss of smaller sized housing
- Major home price increases and rental vacancy declines due to COVID-19
- Affordability challenges hitting people of color, renters, and those living alone the most

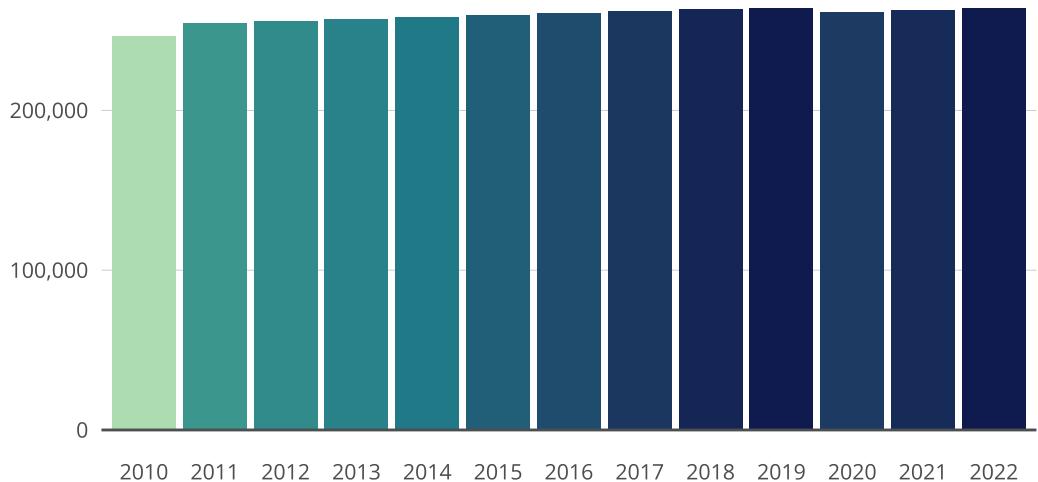
3.2 Population trends

3.2.1 Total population

From 2010 to 2020, the Lynchburg region only grew by six percent, an increase of just over 15,000 people. This slow but steady growth across the last decade was punctuated by a slight decrease in population between 2019 and 2020. In more recent years, the population has recovered to its 2019 estimate, now having an estimated population of 263,613 as of 2022.

Total population of CVPDC region

From 2010 to 2020



Source: U.S. Census Bureau, Population Estimates Program (PEP).

Figure 3.1: Total population of CVPDC region

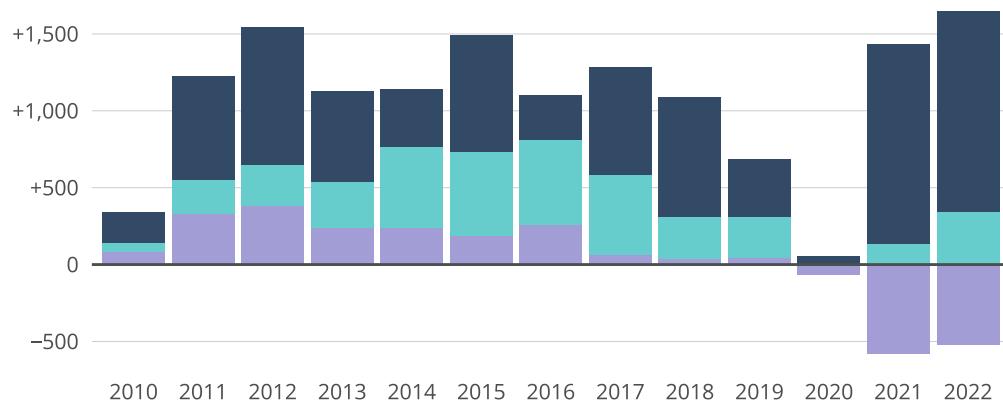
For much of the last decade, growth in the region has been a result of both domestic migration and international migration. But from 2020 to 2021, there were significant shifts in the causes of population change. Deaths outpaced births during this time, leading to a loss of over 600 individuals. International migration decreased, while domestic migration overwhelmingly became the reason for growth in the region.

These changes within the region were no doubt a result of the COVID-19 pandemic's impact. With the increase in work-from-home (WFH), households from outside the region saw an opportunity to benefit from the relative affordability of the region, while still earning high wages from elsewhere. And sadly, the pandemic's impact also contributed to losses among the community.

Recent changes in the population from 2020 to 2022 have shown the overwhelming impact of domestic migration to the region. The natural decreases post-2020 have been substantial for the region, resulting in a loss of 1,100 residents from 2020 to 2022.

Components of population change

Net **domestic migration**, **international migration**, and **natural increase (or decrease)**



Source: U.S. Census Bureau, Population Estimates Program.

Note: Natural increase (or decrease) defined as births minus deaths.

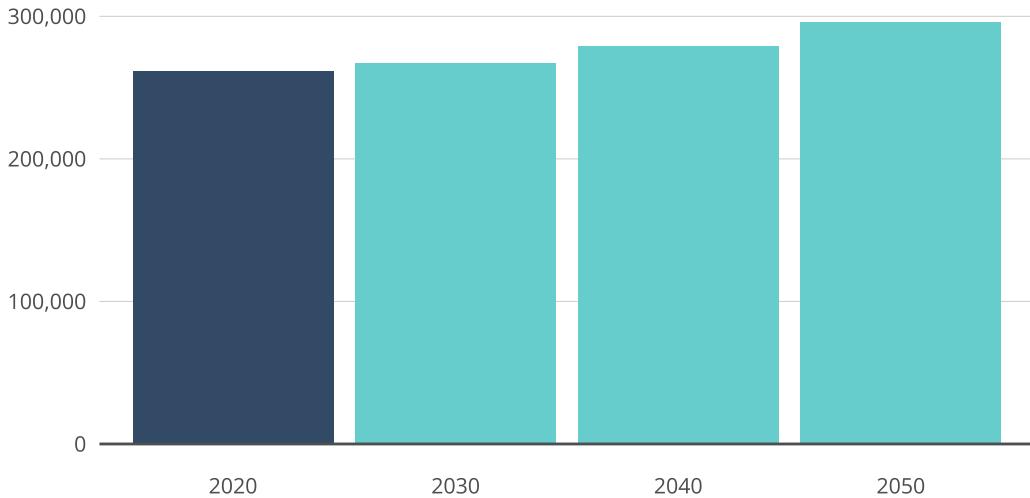
Figure 3.2: Components of population change

3.2.2 Population projections

Despite the slight population decline from 2019 to 2020 and the slow growth in recent years, the region is projected to near 300,000 people by 2050 — a 13 percent increase from the 2020 Census.

Projected total population

2030, 2040, and 2050 projections



Source: University of Virginia, Weldon Cooper Center.

Figure 3.3: Projected total population

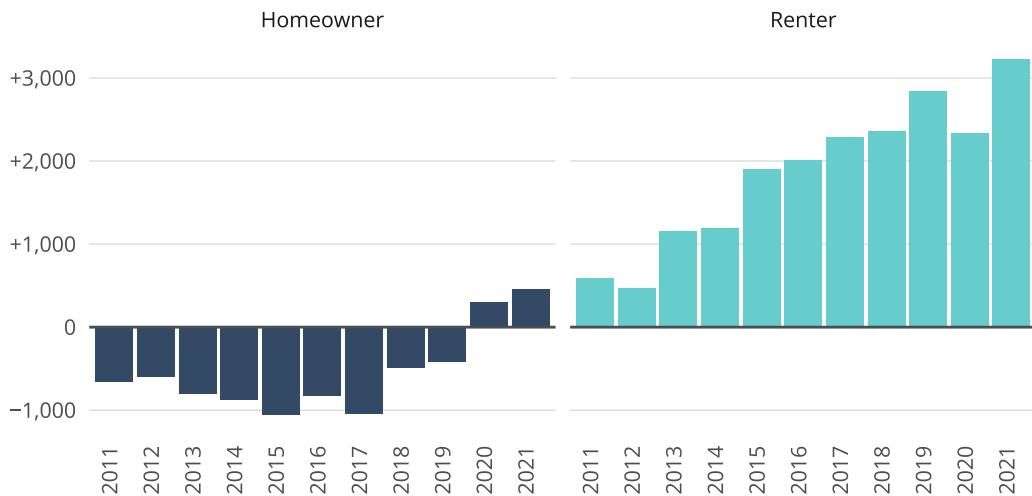
3.3 Household trends

3.3.1 Household tenure

From 2010 to 2021, there has been a continuous increase in the number of renter households in the region. Cumulatively, there has been an increase of 3,226 renters since 2010. Although, there has been a cumulative increase in the number of homeowner households since 2010 — that increase is only recent as of 2020 and 2021.

Cumulative change in households by tenure

From 2010 to 2021



Source: U.S. Census Bureau, American Community Survey, 5-year estimates, Table B25003.

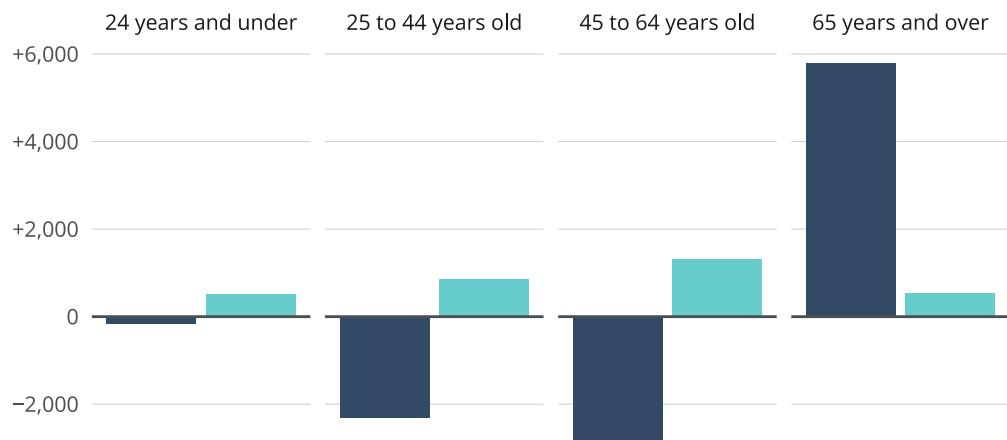
Figure 3.4: Cumulative change in households by tenure

3.3.2 Householder age

The growing number of homeowners in the region are overwhelmingly the result of seniors (65 years and over). Between 2010 and 2021, there was an increase of 5,796 senior homeowners. The growth in homeowners was offset by major decreases in homeowners aged between 25 and 64 years old — an overall decrease of 5,180. Renter households saw increases across all age groups, but the greatest increase was among 45 to 64 year olds (+1,323).

Change in households by age

Change in **homeowners** and **renters** from 2010 to 2021



Source: U.S. Census Bureau, American Community Survey, 5-year estimates, Table B25007.

Figure 3.5: Change in households by age and tenure

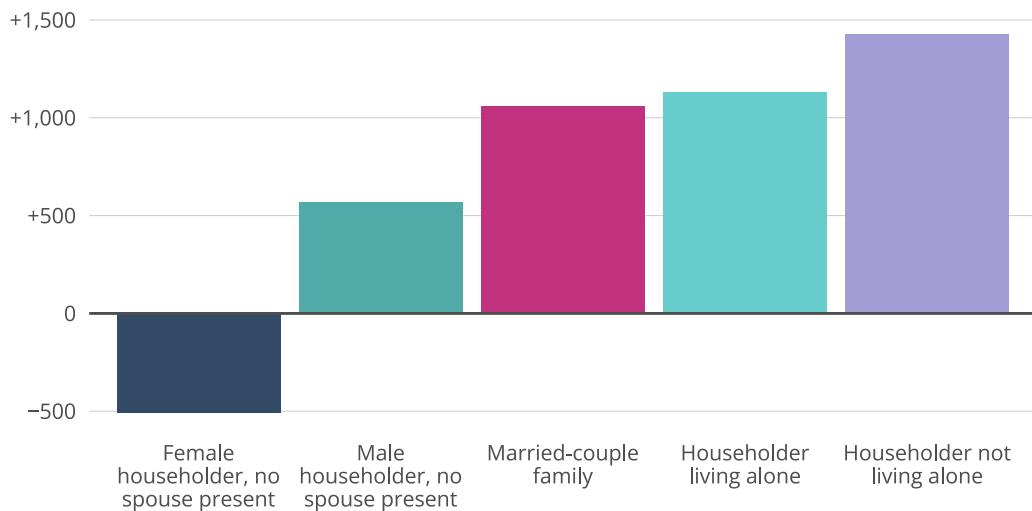
3.3.3 Household types

Among household types, householders not living alone grew by 1,430 from 2010 to 2021 — more than any other household type. This household type mostly represents households with unrelated household members (i.e. living with roommates). Household types like this are expected in regions with major universities, but they can also be an indicator of affordability challenges as individuals increasingly need additional household members to contribute to rent or mortgages.

Householders living alone follow at an increase of 1,133. Household formation continues to be delayed among many individuals — contributing to the growing number of one-person households. But in the Lynchburg region, married couple households follow closely behind with an increase of 1,059 since 2010.

Change in households by type

From 2010 to 2021



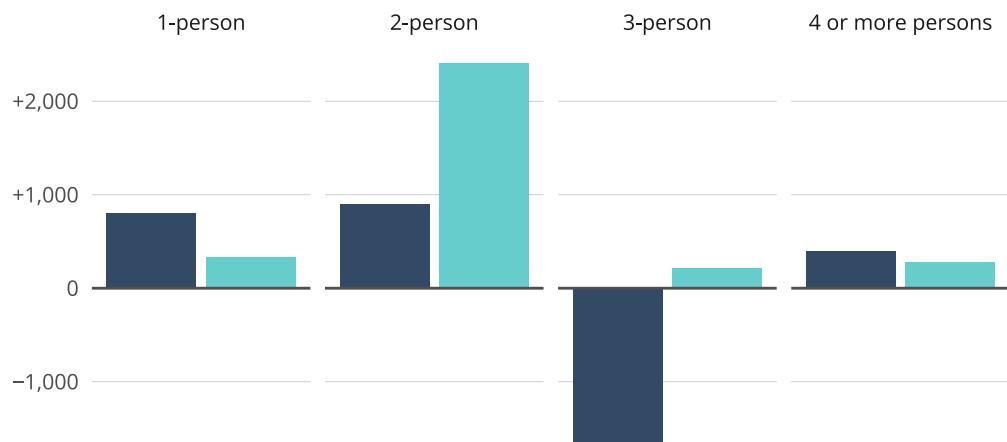
Source: U.S. Census Bureau, American Community Survey, 5-year estimates, Table B11001.

Figure 3.6: Change in households by type

The region saw its greatest gains among households — both homeowners and renters — with two people or less. Two-person renter households saw the most growth between 2010 and 2021, increasing by 2,409. Household with three or more people only grew slightly, but three-person homeowner households actually saw a decline (-1,642).

Change in households by size

Change in **homeowners** and **renters** from 2010 to 2021



Source: U.S. Census Bureau, American Community Survey, 5-year estimates, Table B25009.

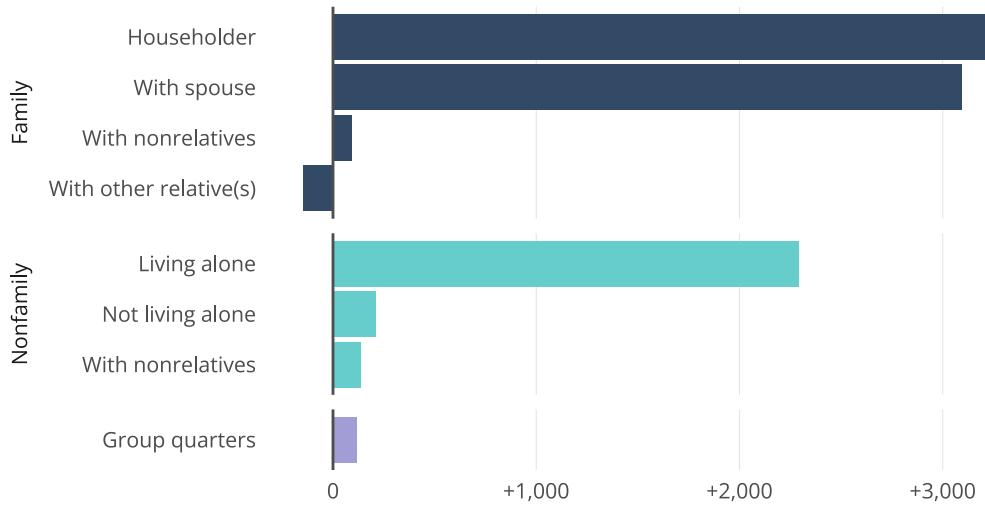
Figure 3.7: Change in households by size and tenure

3.3.4 Seniors and individuals with disabilities

The senior population grew by 9,021 individuals from 2012 to 2021. Much of that growth occurred among seniors living with family — mainly as a householder (+3,233) or as the spouse in a family (+3,091). The third largest change in the senior population was among seniors living alone (+2,291). This senior living arrangement can be a concern for communities. With more and more seniors living alone, aging-in-place is made more difficult without support from others.

Change in senior population by living arrangement

From 2012 to 2021

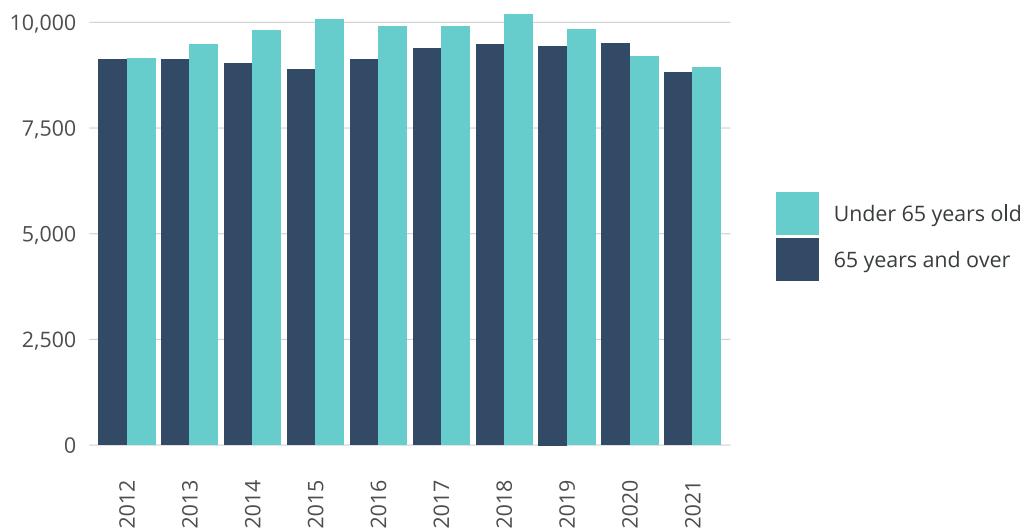


Source: U.S. Census Bureau, American Community Survey, 5-year estimates, Table B09020.

Figure 3.8: Change in senior population by living arrangement

Ambulatory difficulties (serious difficulty walking or climbing stairs) among adults presents challenges when it comes to accessible and affordable housing. These individuals often need single-story homes that have been retrofitted to make getting around easier. The number of adults with an ambulatory difficulty in the region has declined only slightly over the last decade from 18,264 in 2010 to 17,753 by 2021, a 511 person decrease.

Adults with an ambulatory difficulty

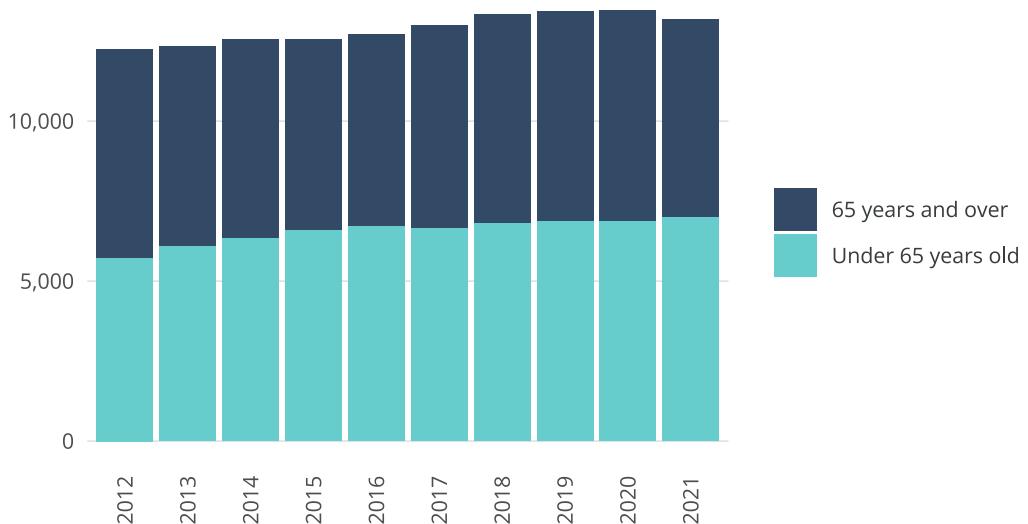


Source: U.S. Census Bureau, American Community Survey, 5-year estimates, Table B09020.

Figure 3.9: Adults with ambulatory difficulty

The number of adults with an independent living difficulty has also seen little change over the past 10 years. Although there was a decline from 2020 to 2021, there are still over 13,000 adults in the region who have difficulty living by themselves.

Adults with an independent living difficulty



Source: U.S. Census Bureau, American Community Survey, 5-year estimates, Table B09020.

Figure 3.10: Adults with independent difficulty

3.3.5 Subfamilies and multigenerational households

With housing affordability becoming more and more of a challenge for families, some families are forced to live with others. This creates *subfamilies*, which the Census Bureau [defines](#) as:

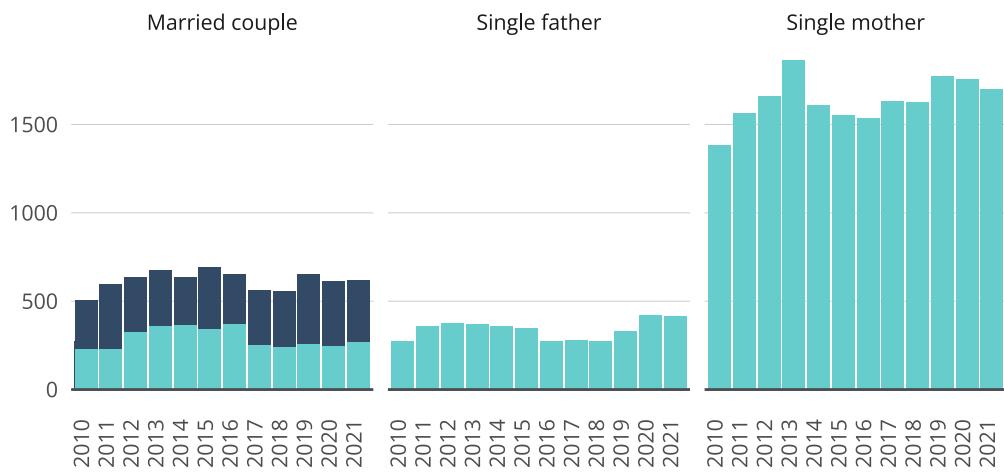
A married couple (with or without children) or an unmarried parent with one or more never-married children under the age of 18, residing with the householder, but not including the householder's spouse.

When grown children move back to the parental home with their own children under 18 or a spouse, they are considered a subfamily.

Within the Lynchburg region subfamilies are more than likely to be single mothers. But in recent years, the number of single fathers and married couples (both with and without children) living with another family has been on the rise.

Subfamilies by type and presence of own children

Change among those with **no children** and **with children** from 2010 to 2021



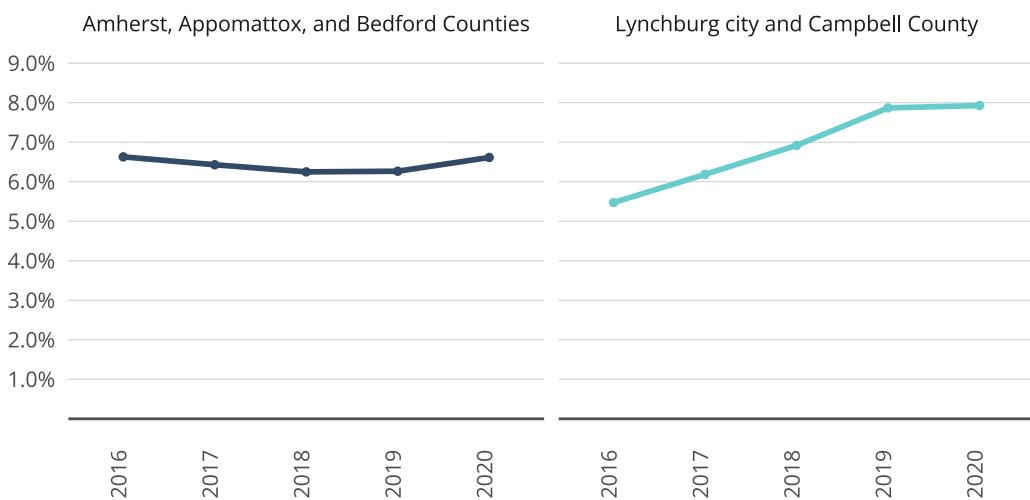
Source: U.S. Census Bureau, American Community Survey, 5-year estimates, Table B11013.

Figure 3.11: Subfamilies by type and presence of own children

While more and more families are living with other families, the number of multigenerational households has also increased in recent years — especially within Lynchburg and Campbell County, where the percentage of the population living in multigenerational households increased 2.4 percentage points from 2016 (5.5 percent) to 2020 (7.9 percent).

Percent of population in multigenerational households

2016 to 2020



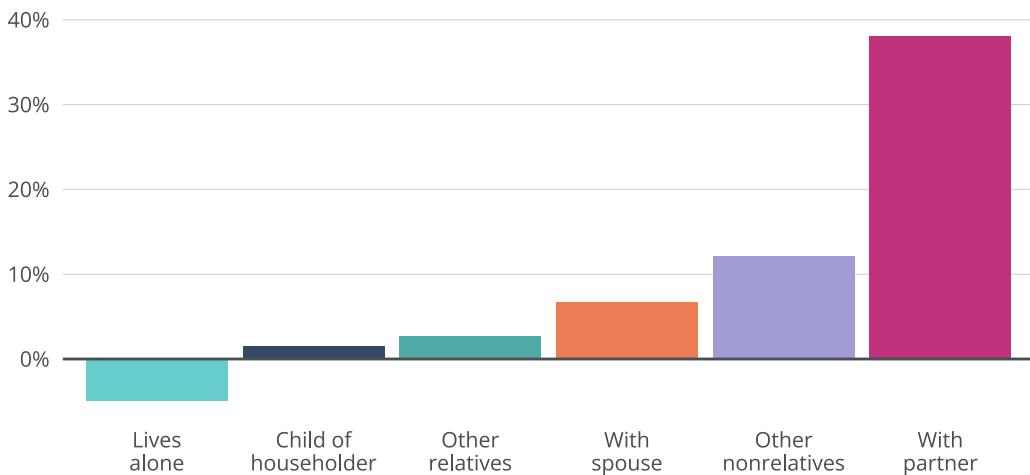
Source: U.S. Census Bureau, American Community Survey, Public Use Microdata Sample.

Figure 3.12: Percent of population in multigenerational households

While other parts of Virginia are seeing an increasing number of adult children returning home to live with parents, this is not so much the case in the Lynchburg region. Young adults (18 to 34 years old) are increasingly living with a partner in the region, a 38 percent increase between 2015 and 2021. Adults living with their parents only increased by 1.5 percent during this same timeframe.

Percent change in young adult population by living arrangement

All adults aged 18-34 from 2015 to 2021



Source: U.S. Census Bureau, American Community Survey, 5-year estimates, Table B09021.

Figure 3.13: Percent change in young adult population by living arrangement

3.4 Economic trends

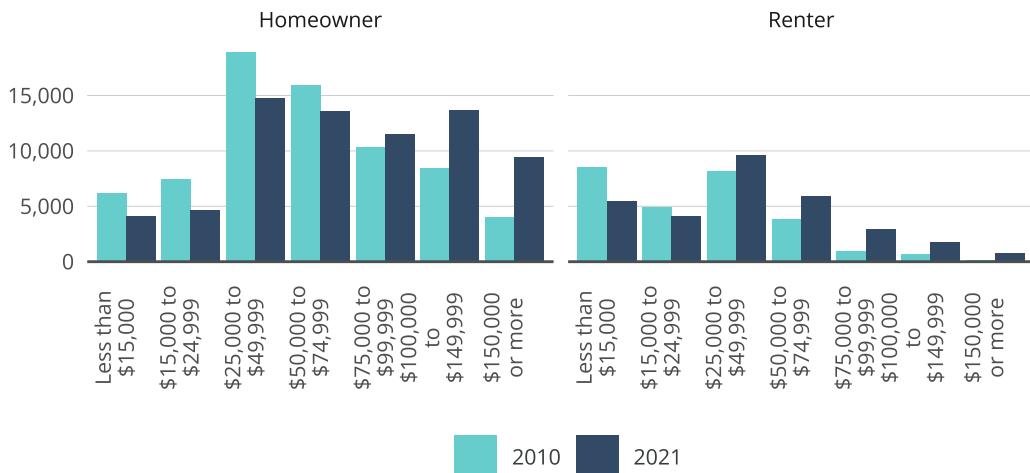
3.4.1 Household incomes

In the region, the distribution of homeowner incomes have shifted upwards. A greater share of homeowners are now in the \$100,000 and more income range than back in 2010. Renter incomes have also shifted upwards but not as dramatically towards the upper income bands. In 2021, there were 5,060 more renter households making between \$50,000 and \$149,999, a 92 percent increase.

Regardless of these shifts, income distributions for renter households continue to skew towards the low end.

Households by income and tenure

2010 versus 2021



Source: U.S. Census Bureau, American Community Survey, 5-year estimates, Table B25118.

Figure 3.14: Households by income and tenure

Note

Comparing constant dollars versus current dollars can be explained in simple terms as follows:

Constant Dollars: Imagine you have a time machine that can make money from different years all have the same value as today's money. When you compare things in constant dollars, you're looking at how much something would cost or be worth if prices never changed from a specific year (like a base year). It helps us see how things have changed without the influence of inflation.

Current Dollars: Current dollars are just regular money you use every day. When you talk about something in current dollars, you're considering its actual, unadjusted value in today's money. This is how we usually think about prices and incomes.

Here's an example to illustrate the difference:

Let's say you earned \$5,000 in 1990, and you earned \$10,000 in 2020. In current dollars, you'd think you earned twice as much in 2020, which sounds great! However, when you adjust those dollars to constant dollars (like making 1990 dollars as valuable as 2020 dollars), you might find that \$5,000 in 1990 is actually worth more like \$9,000 in 2020 dollars because of inflation.

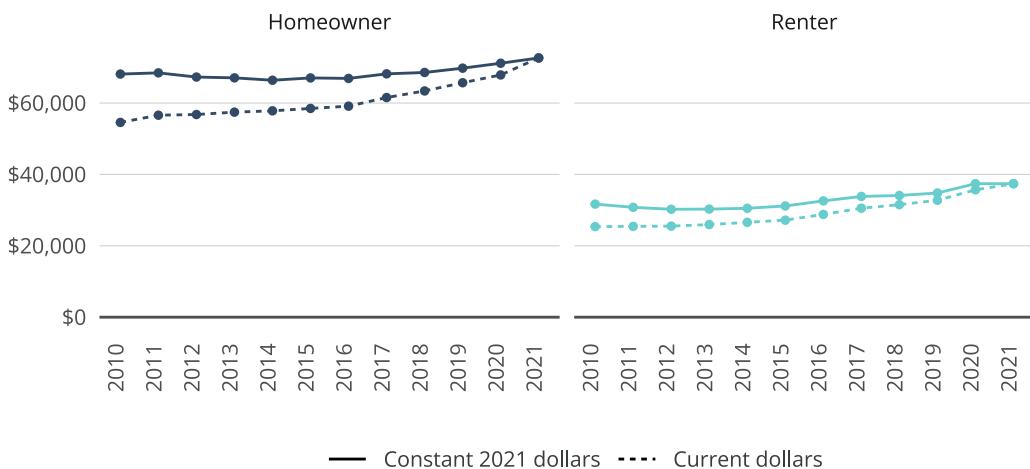
So, comparing constant dollars helps us see the "real" change in value over time, considering the impact of inflation, while current dollars are just the actual amounts

you earned or spent without adjusting for inflation.

Between homeowner and renter households there is a \$35,236 gap in median household income. Adjusting for inflation shows that median household income has been relatively flat for homeowners in the last decade (7 percent increase), while the typical income for renters saw modest gains (18 percent increase).

Median household income by tenure

From 2010 to 2021



Source: U.S. Census Bureau, American Community Survey, 5-year estimates, Table B25119.

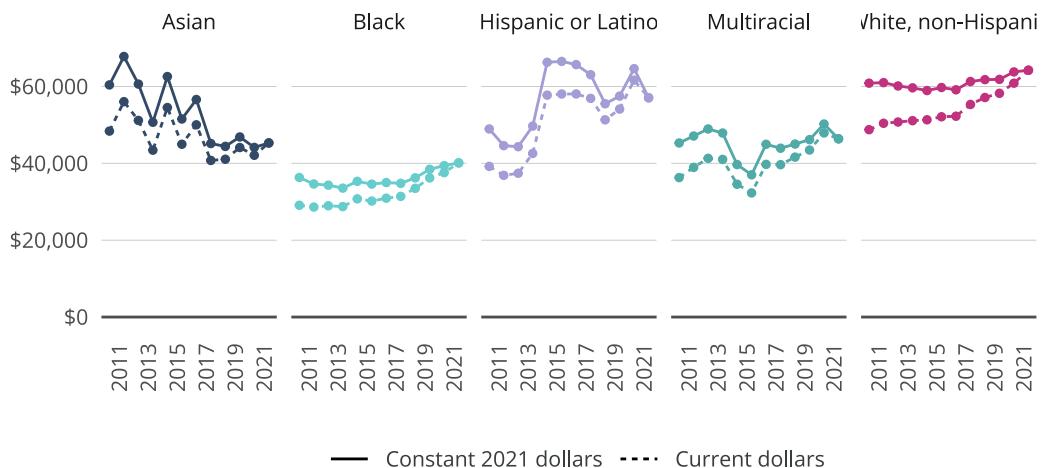
Figure 3.15: Median household income by tenure

Gaps in income between different races and ethnicities in the region continue to further racial inequities — especially in the housing market. Black households in the region make a fraction of what their white counterparts make. For every dollar a typical white household makes, a Black household only makes 62 percent of that dollar.

Hispanic households in the region have made major gains in income. When comparing inflation-adjusted income, Hispanic households in the region saw a 17 percent increase in median household income, the largest gain among any other group.

Median household income by race and ethnicity

From 2010 to 2021



Source: U.S. Census Bureau, American Community Survey, 5-year estimates, Tables B19013B-I.

Figure 3.16: Median household income by race and ethnicity

3.4.2 Wages

Note

Wage data in this section is sourced from the Occupational Employment and Wage Statistics (OEWS) program of the Bureau of Labor Statistics. OEWS is updated annually, most recently for 2022 data. This dataset provides a rich look into wage distribution by industry and occupation.

However, OEWS is only available at the national, state, and metro levels. Therefore, the data below covers the full Lynchburg, Virginia Metropolitan Statistical Area (MSA).

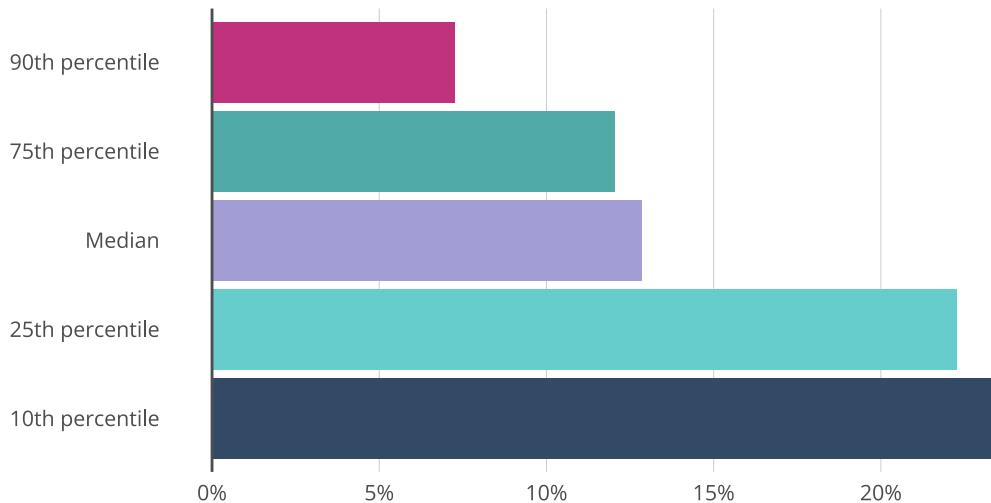
Like other regions in the state, regional wages increased across the board from May 2019 to May 2022. The largest percent increases in average wages were among jobs that paid at and below the median wage. In fact, the largest growth occurred in the lowest 10th percentile of wages, due in large part to state lawmakers adopting incremental increases to Virginia's minimum wage in 2020. The first increase from \$7.25 to \$9.50 per hour took effect in 2021.

i Note

Today, state minimum wage is \$11.00 per hour. Under [current law](#), it will increase again to \$12.00 in 2023. Lawmakers must reenact the measure by July 2024 to initiate further increases to \$15.00 per hour by 2026.

Percent change in annual wage by wage percentile

Lynchburg, VA MSA | May 2019 to May 2022



Source: U.S. Bureau of Labor Statistics, Occupational Employment and Wage Statistics.

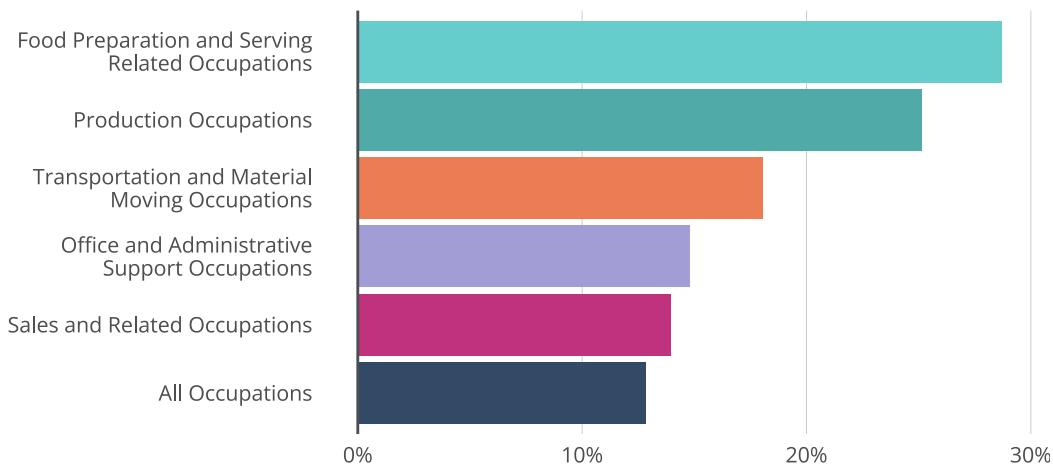
Figure 3.17: Percent change in annual wage in Lynchburg, VA MSA

Over this same period, wages in the region grew for all five of the most common occupation categories by total employment numbers. Workers in the Food Preparation and Serving Related sector saw the largest increases—from an average annual salary of \$19,950 to \$25,680 (nearly 30 percent).

Jobs in Production, Transportation and Material Moving, Office and Administrative Support, and Sales and Related sectors—totaling 46,610 in the region as of May 2022—also saw wage growth more than the 13 percent average increase.

Percent change in annual wage for top 5 most common occupation categories

Lynchburg, VA MSA | May 2019 to May 2022



Source: U.S. Bureau of Labor Statistics, Occupational Employment and Wage Statistics.

Figure 3.18: Percent change in annual wage for top 5 most common occupation categories

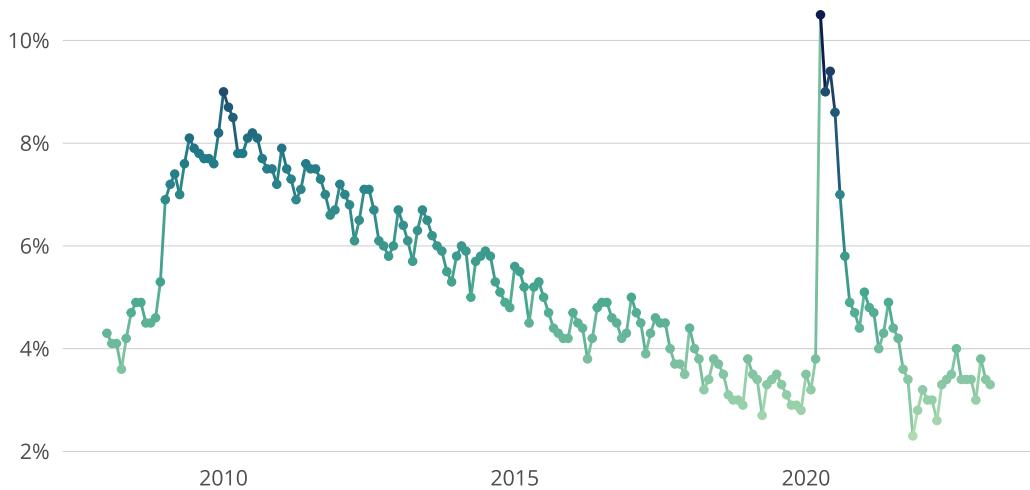
3.4.3 Unemployment

Through much of the early parts of the pandemic, the Lynchburg region saw record high unemployment rates, topping out at 10.5 percent in April 2020. This rate surpassed the post-Recession fall out when the unemployment rate was 8.7 percent in February 2010.

More recently, employment recovery post COVID-19 brought about a record low unemployment rate in November 2021. But recent trends are showing growing unemployment on par with pre-pandemic levels.

Unemployment rate

From 2008 through March 2023



Source: U.S. Bureau of Labor Statistics. Local Area Unemployment Statistics.

Figure 3.19: Unemployment rate in the Lynchburg region

3.5 Housing stock

3.5.1 Housing type

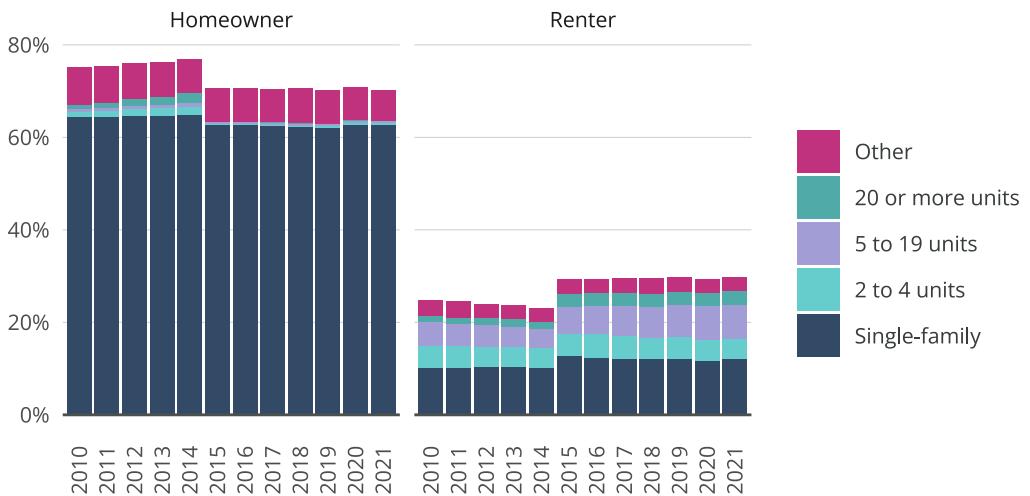
The bulk of the region's housing stock is composed of single-family housing (74 percent). Much of the single-family housing stock resides in homeownership, but in 2015 single-family housing decreased roughly two percentage points from homeownership towards rental. Manufactured homes, which is included in the Other category, has continued to make up the second largest portion of the region's housing stock (10 percent overall).

Rental housing stock is diverse and has grown to include duplexes, tri-plexes, and quads, as well as larger multifamily properties. While these smaller multifamily properties like duplexes once made up nearly two percent of the homeownership market, they have reduced to a half of a percent of the region's entire housing stock.

Options like these have been touted as Missing Middle Housing, which are able to offer affordable homeownership options.

Housing stock by structure type and tenure

Percent of total occupied housing from 2010 to 2021



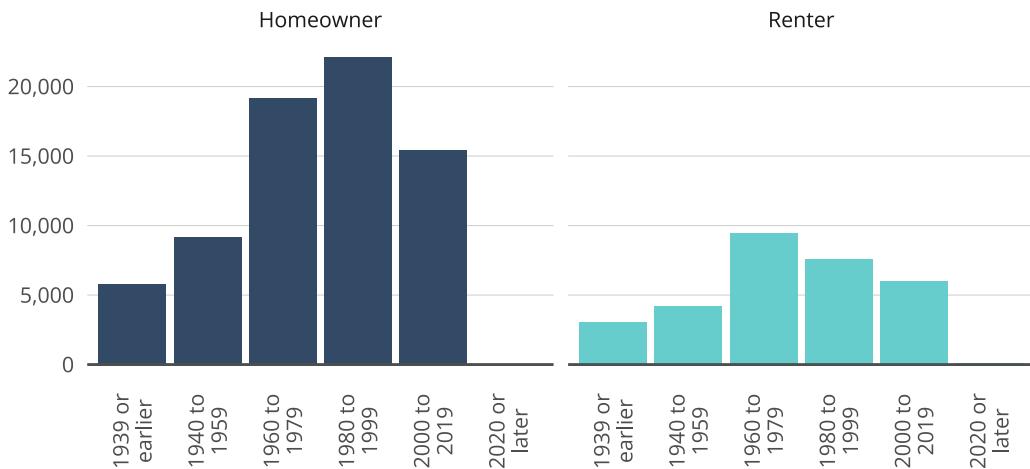
Source: U.S. Census Bureau, American Community Survey, 5-year estimates, Table B25127.

Figure 3.20: Housing stock by structure type and tenure

Most of the region's housing is surpassing 20 years in age. A construction boom in the late 20th century (from 1960 to 1999) contributed to much of the region's homeownership and rental housing stock. With aging housing stock, housing quality becomes an ever-present issue.

Housing stock by year built and tenure

Total occupied housing units



Source: U.S. Census Bureau, American Community Survey, 2017-2021 5-year estimates, Table B25127.

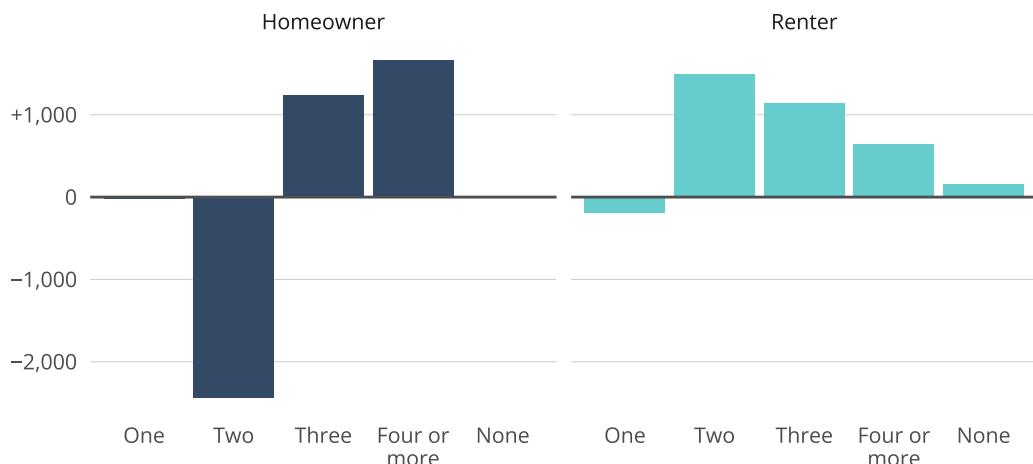
Figure 3.21: Housing stock by year built and tenure

The number of smaller bedroom homes has been declining since 2010, particularly within the existing homeowner housing stock. From 2010 to 2021, there was a loss of 2,435 two-bedroom homes in homeownership. Some of that loss could be accounted for in a transition to rental, but two-bedroom rentals only increased by 1,487. One-bedroom rentals, often in-demand by young professionals, as well as those most in need, also a decline (-191), but two-bedroom rentals accounted for much of the rental market growth.

Larger homes with three or more bedrooms saw the greatest increase in the region. Although larger homes are meeting a demand, they often come at the expense of affordability.

Change in housing stock by number of bedrooms and tenure

From 2010 to 2021



Source: U.S. Census Bureau, American Community Survey, 2017-2021 5-year estimates, Table B25042.

Figure 3.22: Change in housing stock by number of bedrooms and tenure

Manufactured home communities are spread out across the region. These homes often serve as market-rate affordable housing, but they face several challenges, including risk of redevelopment, poor housing quality, and aging infrastructure.

There are 99 manufactured home communities in the region. Three quarters of the communities in the region are small, consisting of less than 50 homes.

i Manufactured homes: a valuable resource

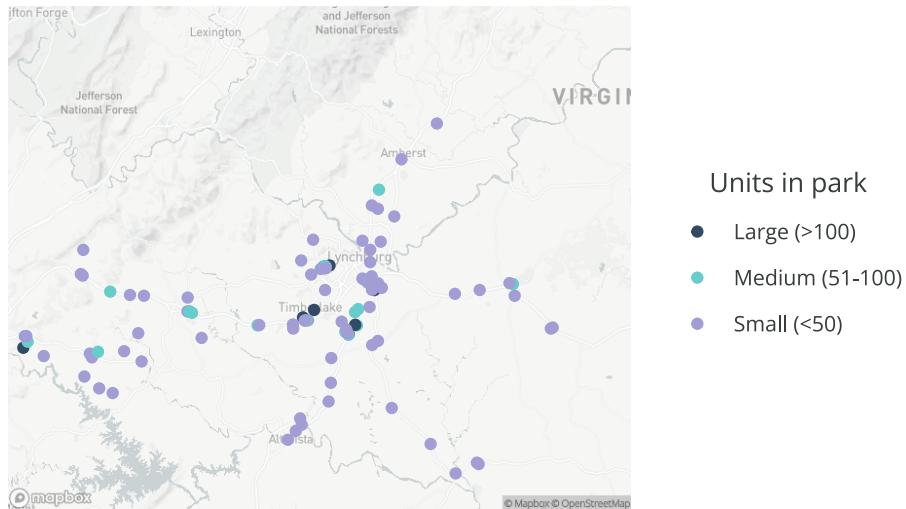
Manufactured homes have faced significant stigma due to their association with mobile homes or trailer homes built before 1976. In 1976, the manufactured home industry and the federal government created stricter standards for the construction of these homes. The HUD Manufactured Home Construction and Safety Standards (the "HUD code") has helped ensure that manufactured homes are safe and high quality.

Despite the HUD code, many pre-1976 mobile homes persist across the nation — especially in mobile home parks. In many instances, residents of these homes face significant challenges in energy efficiency, weatherization, and housing stability. At the same time, older manufactured homes act as many rural communities' stock of affordable housing.

Manufactured housing is a valuable source of housing that should not be ignored.

New technologies and materials are continuing to increase the quality of manufactured homes.

Manufactured home communities in Lynchburg region

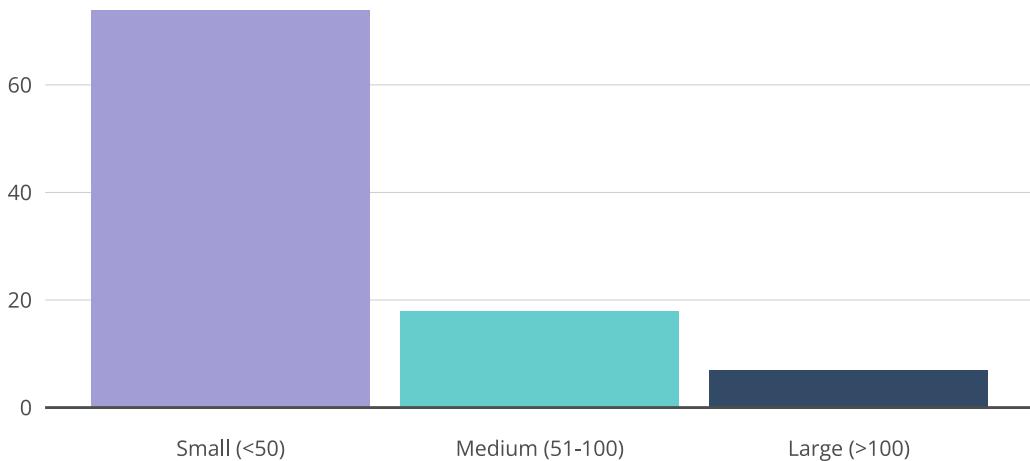


Source: U.S. Department of Homeland Security. Homeland Infrastructure Foundation-Level Data (HIFLD).

Figure 3.23: Manufactured home communities in Lynchburg region

Manufactured home communities by size

Number of homes in each community



Source: U.S. Department of Homeland Security. Homeland Infrastructure Foundation-Level Data (HIFLD).

Figure 3.24: Manufactured home communities by size

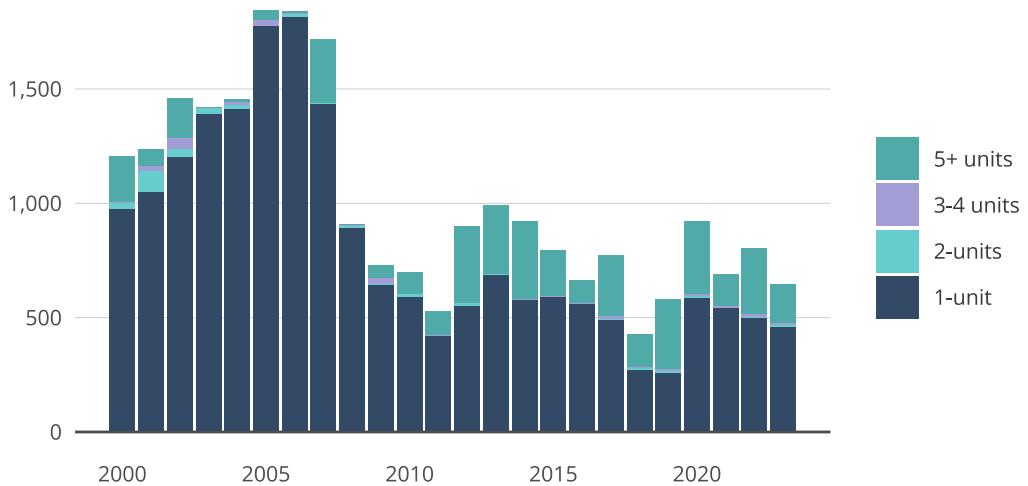
3.5.2 Building trends

The region has still not recovered to its Great Recession building-levels, when residential building permits peaked at 1,840 in 2005. Since 2012, permits have only averaged at 768 per year, less than half of what it was in 2005.

In addition, the early 2000s saw a greater number of two to four bedroom homes. But by 2005, these diverse types of housing were nearly non-existent from the building pipeline in the region.

New residential building permits by type

Annual permits issued from 2000 through April 2023



Source: U.S. Census Bureau, Building Permits Survey (BPS).

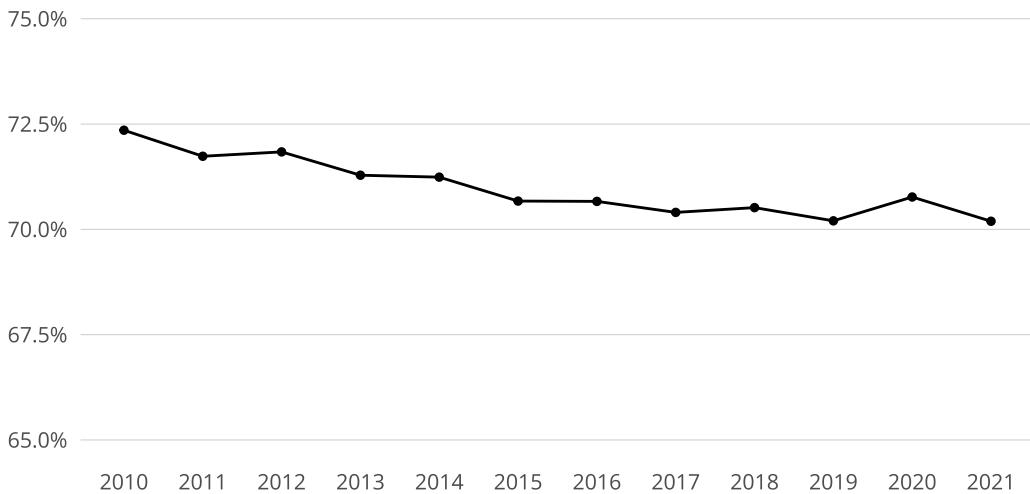
Figure 3.25: New residential building permits by type

3.6 Homeownership market

The regional homeownership rate has been on a slow decline in the last decade, from 72 percent in 2010 to 70 percent in 2021.

Regional homeownership rate

From 2010 to 2021



Source: U.S. Census Bureau, American Community Survey, 5-year estimates, Table B25003.

Figure 3.26: Regional homeownership rate

As the homeownership rate has declined slightly, the regional median residential sales price has continued to climb in recent years. Although fluctuating between \$180,000 and \$225,000 between 2016 and 2019, the region saw a major bump in early 2020 as the pandemic impacts hit the region's housing market that have kept home prices well-above \$225,000 ever since.

Median residential sales price by month

January 2016 to December 2022



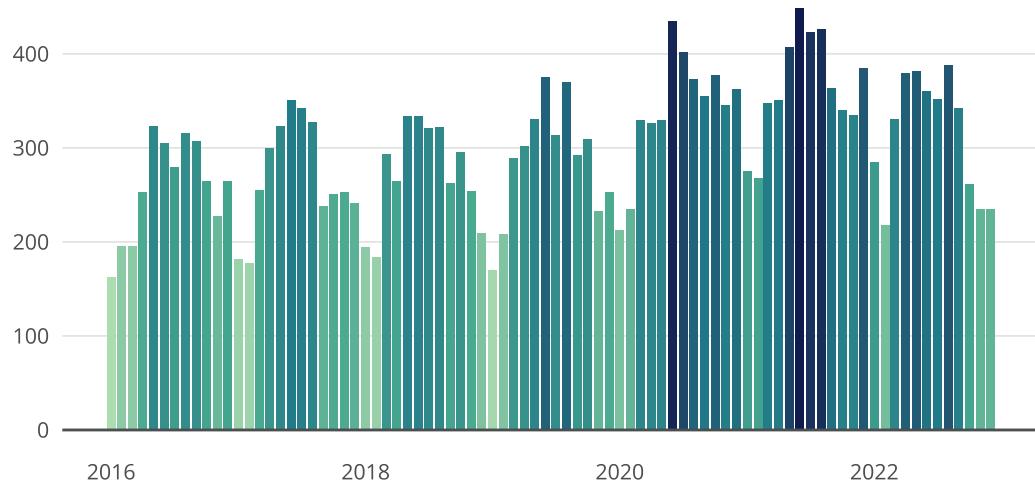
Source: Lynchburg Association of REALTORS®.

Figure 3.27: Median residential sales price by month

The impact of the pandemic is most noticeable when looking at the number of closed home sales and average days on market. The region saw record high closed home sales during the summers of 2020 and 2021, when it hit 435 sales in June 2020 and then 448 in June 2021.

Closed home sales by month

January 2016 to December 2022



Source: Lynchburg Association of REALTORS®.

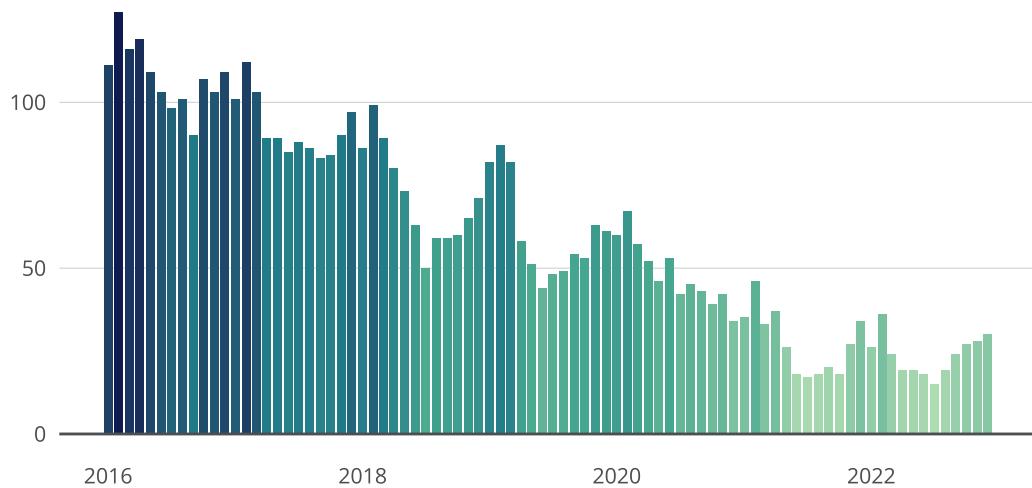
Figure 3.28: Closed home sales by month

The demand in the region is further exemplified by the dramatic decline in average days on market. Already on the decline since 2017, the region hit record low average days on market in middle of 2021. Since then, homes have remained below an average of 40 days on the market.

With increasing mortgage interest rates in recent months, home sales, as well as prices, have seen declines. But prices will continue to rise, although not as rapidly as during the early aughts of the pandemic when record low interest rates opened up housing opportunity for many who could not have afforded a home otherwise.

Average days on market by month

January 2016 to December 2022



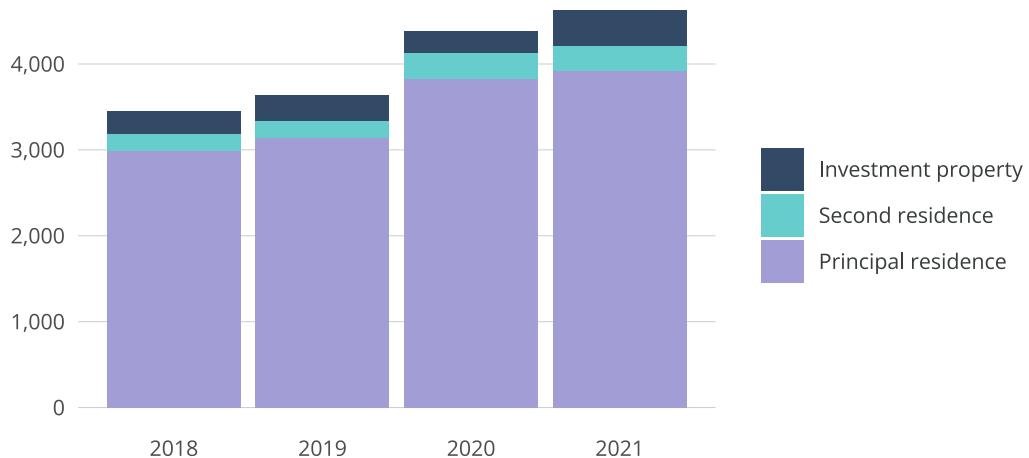
Source: Lynchburg Association of REALTORS®.

Figure 3.29: Average days on market by month

Loan originations for a home purchase saw a boost between 2019 and 2020, increasing by 20 percent. The proportion of home loans for an investment property saw the largest increase, making up only about 6 percent of loans in 2018 to being almost 10 percent of all home loans in 2021.

Loans by occupancy type

Single-family home loans originated in the region



Source: Consumer Protection Financial Bureau, Home Mortgage Disclosure Act (HMDA) Snapshot National Loan Level Dataset.

Figure 3.30: Loans by occupancy type

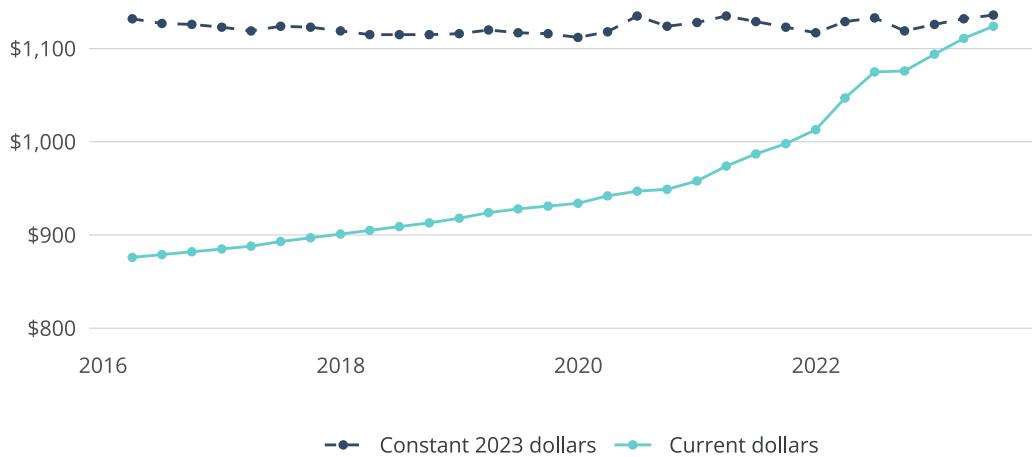
3.7 Rental market

While the rent value in each year seemingly shows that rent has grown significantly from 2016 to mid-2023, inflation adjusted values shows that rent has changed very little.

Average rent for the region has been relatively flat since 2016 when adjusted to current dollars. The average market asking rent was \$1,132 in the first quarter of 2016 in inflation adjusted dollars. By the second quarter of 2023, the typical rent in the region had only increased by \$4 to \$1,136. While the changes in rent values may be small, the impact on households whose incomes have not grown is still significant.

Average market asking rent by quarter

All multifamily properties in CVPDC region



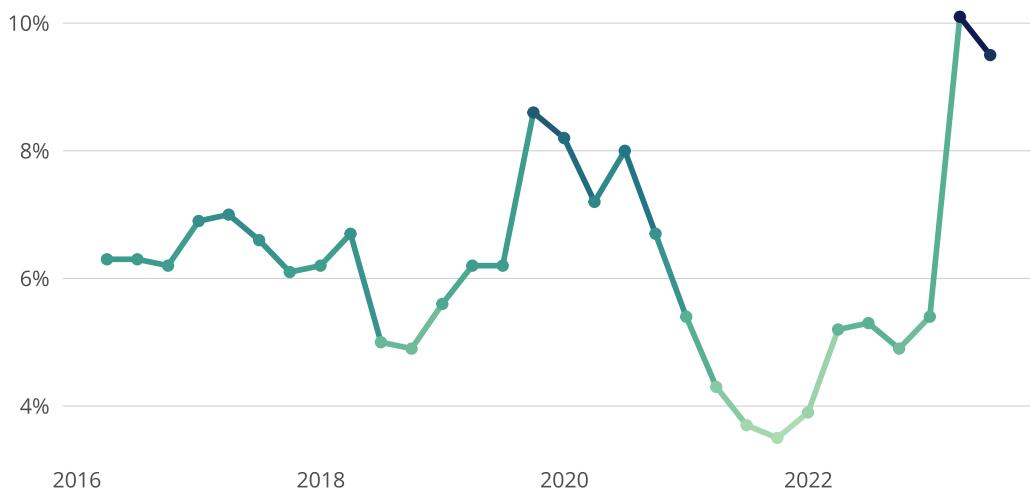
Source: CoStar Group, Inc.

Figure 3.31: Average market asking rent by quarter

In spite of the minute changes in average rent over the past few years, the rental vacancy rate took a major dip in the second half of 2020, reaching a low of 3.5 percent in Q3 2021. Rental vacancy has increased since the end of 2021, but has more recently exceeded pre-COVID levels to reach a high of 10 percent in Q1 2023.

Rental vacancy rate by quarter

All multifamily properties in CVPDC region



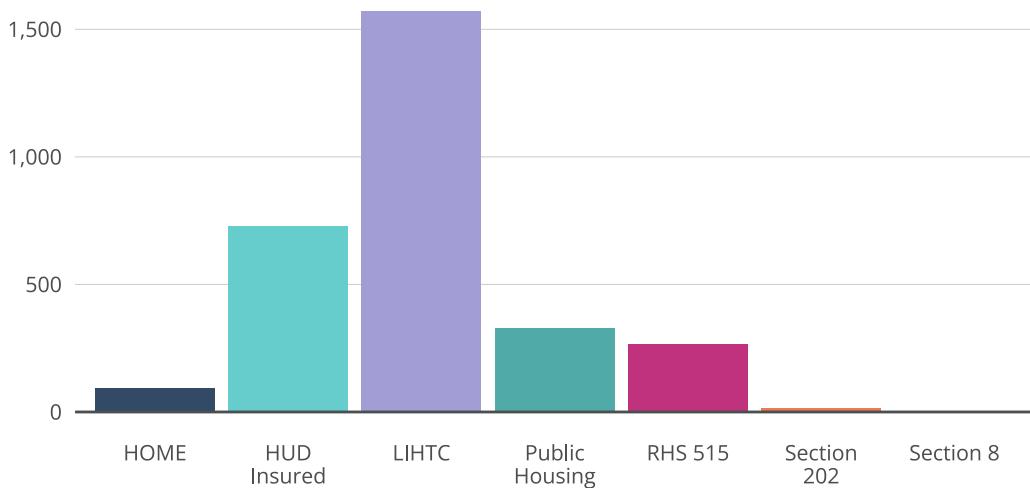
Source: CoStar Group, Inc.

Figure 3.32: Rental vacancy rate by quarter

Throughout the region, there are 4,505 federally-assisted rental units located across 52 properties. The bulk of assisted rental units (1,569) are supported by Low-Income Housing Tax Credits (LIHTC), while 1,507 receive Section 8 project-based rental assistance. It is important to note that multiple subsidy sources are often layered to provide greater funding leverage to support low-income households.

Federally-assisted rental homes

Number of rental homes with active assistance by primary subsidy program

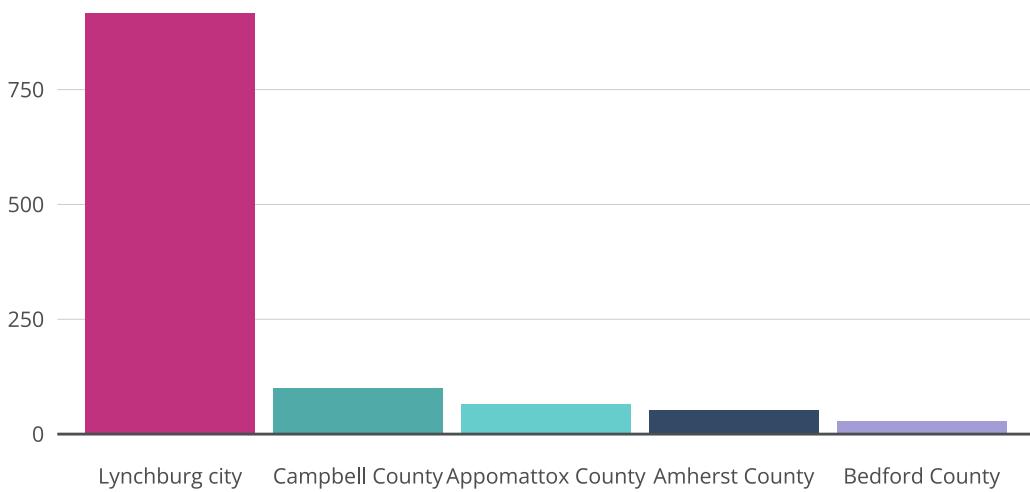


Source: National Housing Preservation Database (NHPD).

Figure 3.33: Federally-assisted rental homes by subsidy

Households with Housing Choice Vouchers

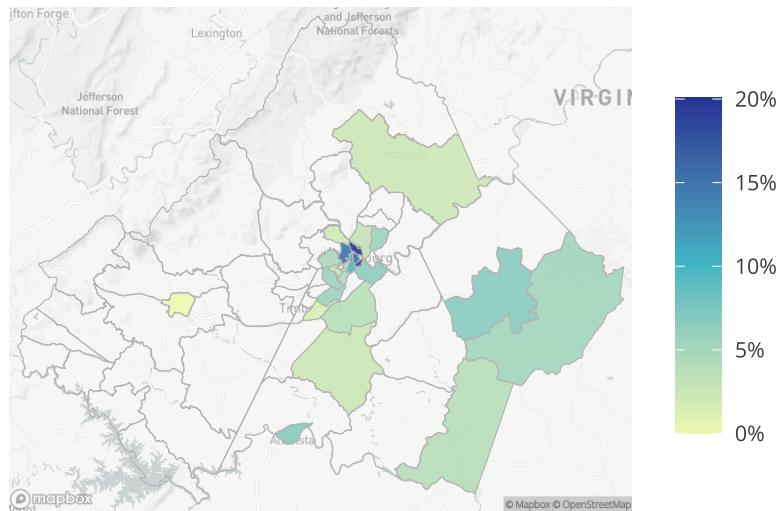
Number of renters using HCVs in private rental homes



Source: U.S. Department of Housing and Urban Development.

Figure 3.34: Households with Housing Choice Vouchers

Vouchers by tract



Source: U.S. Department of Housing and Urban Development.

Note: Tracts with no renters using HCVs are transparent.

Figure 3.35: Percent of renters with Housing Choice Vouchers by tract

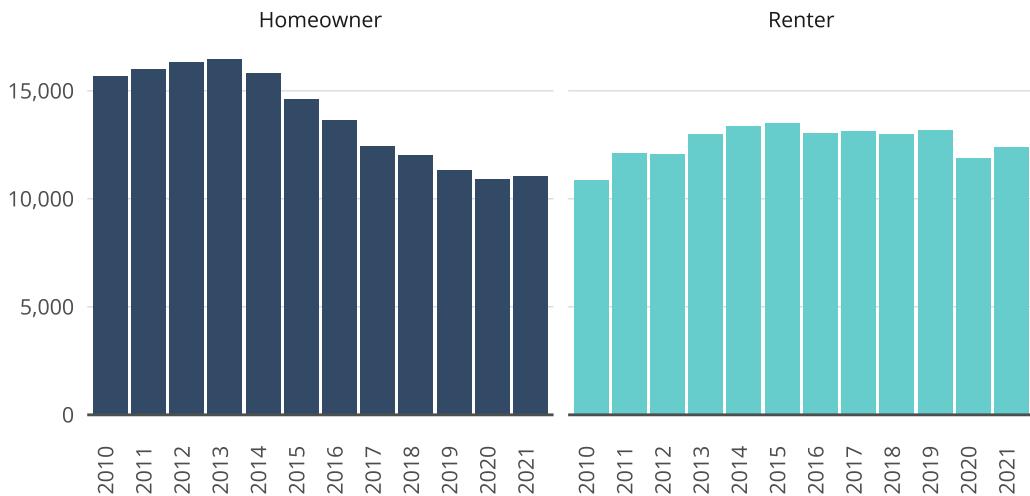
3.8 Affordability

Housing affordability is most often defined by housing where a homeowner or tenant is spending no more than 30 percent of their income on their housing costs. Those households that spend more than 30 percent are considered housing cost-burdened. This metric is a standard measurement for housing affordability, especially in terms of state and federal programs.

In the region, there was a total of 23,419 cost-burdened households in 2021, fifty-three percent of which were renters. This 2021 estimate is a 12 percent decrease from 2010 (-3,123), when the total cost-burdened households was 26,542. At that time, 59 percent of those cost-burdened households were homeowners, indicating a major shift in who is cost-burdened in the region.

Cost-burdened households by tenure

From 2010 to 2021



Source: U.S. Census Bureau, American Community Survey, 5-year estimates, Table B25106.

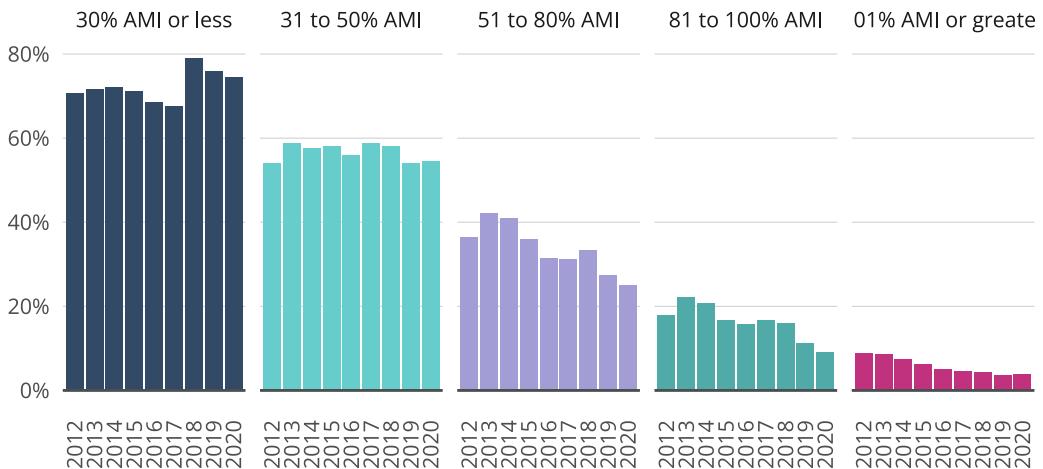
Figure 3.36: Cost-burdened households by tenure

The U.S. Department of Housing and Urban Development receives custom tabulations of American Community Survey data from the U.S. Census Bureau. This data is used to demonstrate the breadth of housing needs across the country. This data lags behind ACS data by about two years, but it provides a snapshot of the different impacts of cost burden by area median income, household type, and race and ethnicity.

From 2012 to 2020, cost burden in the region has generally been declining for higher income households, particularly those making above 50 percent AMI. But for households making 30 percent AMI or less, cost burden has increased rapidly between 2017 and 2018, going from 67 percent to 79 percent. Although there was an overall decline in cost-burdened households making 30 percent AMI or less between these years, the *share* grew significantly.

Cost burden by household income

Percent of households with cost burden by AMI from 2012 to 2020



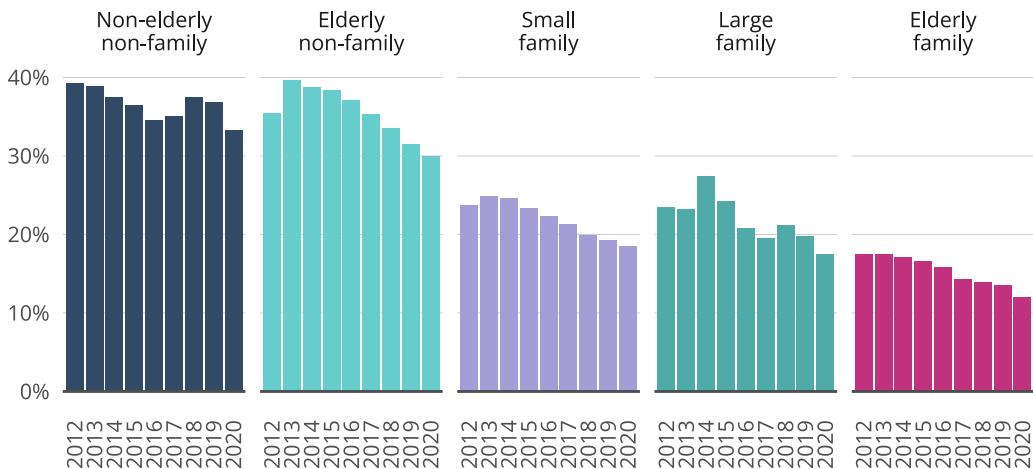
Source: U.S Department of Housing and Urban Development, Comprehensive Housing Affordability Strategy (CHAS), Table 7.

Figure 3.37: Cost burden by household income

Across all household types, cost burden has been declining from 2012 to 2020. However, nearly a third of elderly, non-family (30 percent) and non-elderly, non-family (33 percent) household types are cost-burdened. These households are typically individuals living alone or with other unrelated adults. Family households are less likely to be cost-burdened, but nearly one in five large and small family households were still cost-burdened in 2020.

Cost burden by household type

Percent of households with cost burden by household type from 2012 to 2020



Source: U.S. Department of Housing and Urban Development, Comprehensive Housing Affordability Strategy (CHAS), Table 7.

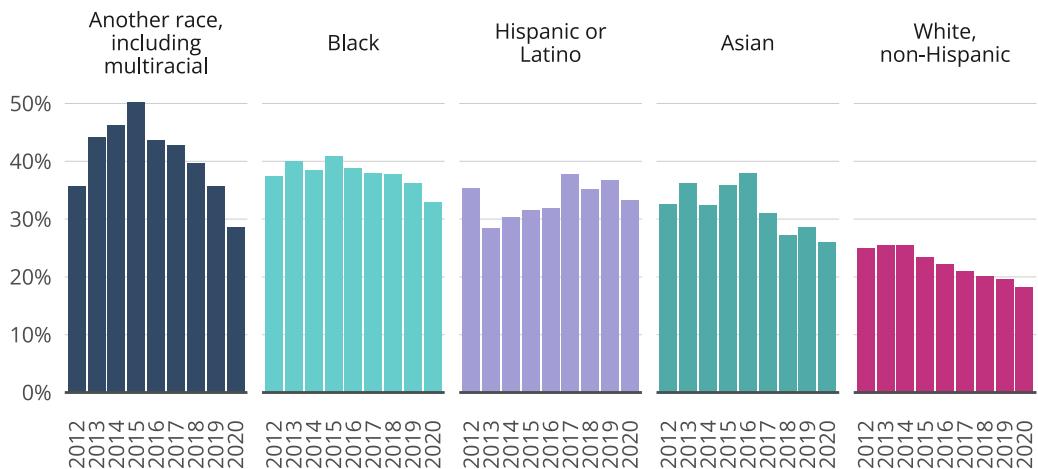
Figure 3.38: Cost burden by household type

There has been a decline in the share of cost-burdened white, multiracial, and Asian households in the region between 2012 and 2020, while cost burden among Black households has seen the least amount of change. Although Hispanics were seeing increasing cost burden early in the decade, there has seemingly been a shift towards decreasing cost burden more recently.

Disparities exist and have persisted in regards to race and ethnicity and cost burden. White households are less likely to be cost-burdened than any other racial or ethnic group in the region. As of 2020, 18 percent of white households were cost-burdened. The closest group were Asian households and yet they were still eight percentage points above their white counterparts. Black and Hispanic experienced cost burden at least 15 percentage points above white households.

Cost burden by race and ethnicity

Percent of households with cost burden by race and ethnicity from 2012 to 2020



Source: U.S. Department of Housing and Urban Development, Comprehensive Housing Affordability Strategy (CHAS), Table 9.

Figure 3.39: Cost burden by race and ethnicity

4 County market analyses

The following provides a county-level analysis of major trends impacting housing within Central Virginia Planning District region. All data has been disaggregated to show the differences between localities.

4.1 Takeaways

- Domestic migration is driving population growth in the counties — especially in Bedford.
- Amherst's population is expected to continue its decline for the next several decades.
- Older homeowners are driving much of the growth, while renters are mainly coming to Campbell more and more.
- Income disparities vary by county and racial and ethnic identity, but renter incomes lag behind homeowners regardless.
- Diverse housing is lacking in the counties, especially among the homeowner housing stock.
- Development activity in Amherst and Appomattox has been limited, while Bedford has seen declines in recent years and Campbell has seen increases.
- Homeownership rates have been declining in recent years, except for in Bedford.
- Rents have been relatively flat despite the demand.
- Assisted housing is limited in the counties and cost burden for renters has remained relatively unchanged in the last decade.

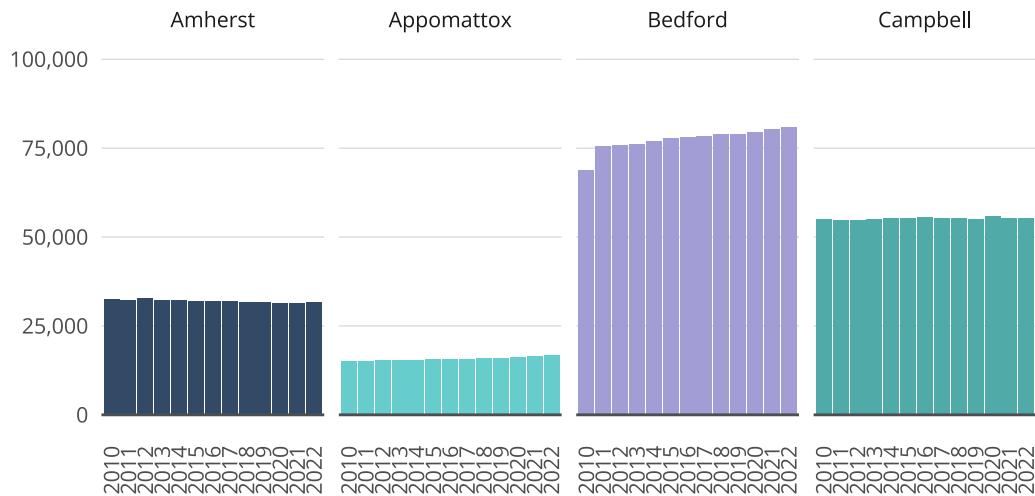
4.2 Population trends

From 2010 to 2022, Bedford County has grown more than any other locality in the region, experiencing a 18 percent increase. In fact, as of the 2020 Census, Bedford County was more populous than the City of Lynchburg (79,462 versus 79,009, respectively).

Appomattox and Campbell experienced slight to moderate growth in the last decade, while Amherst County's population declined by two percent.

Total population by county

2020 Census population

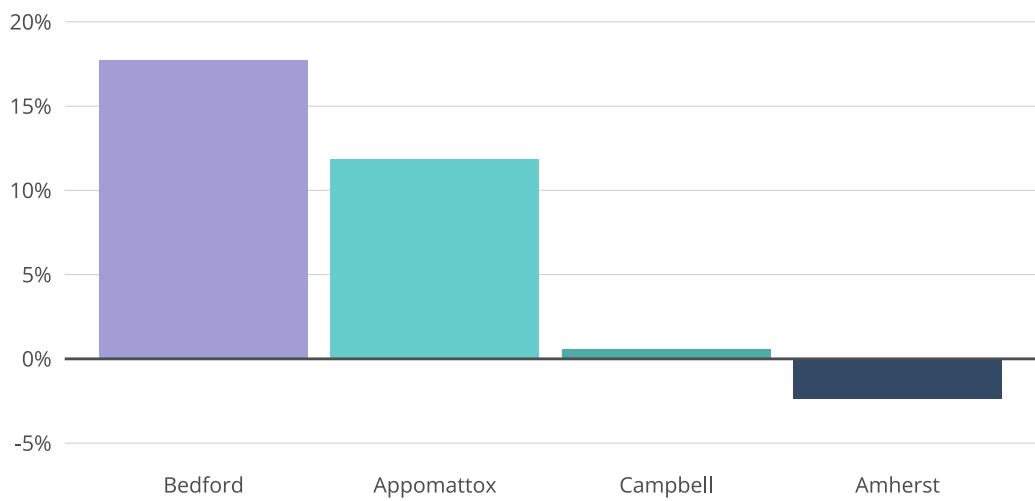


Source: U.S. Census Bureau, Decennial Census.

Figure 4.1: Total population by county

Population growth by county

Percent change in population from 2010 to 2022



Source: U.S. Census Bureau, Population Estimates Program.

Figure 4.2: Population growth by county

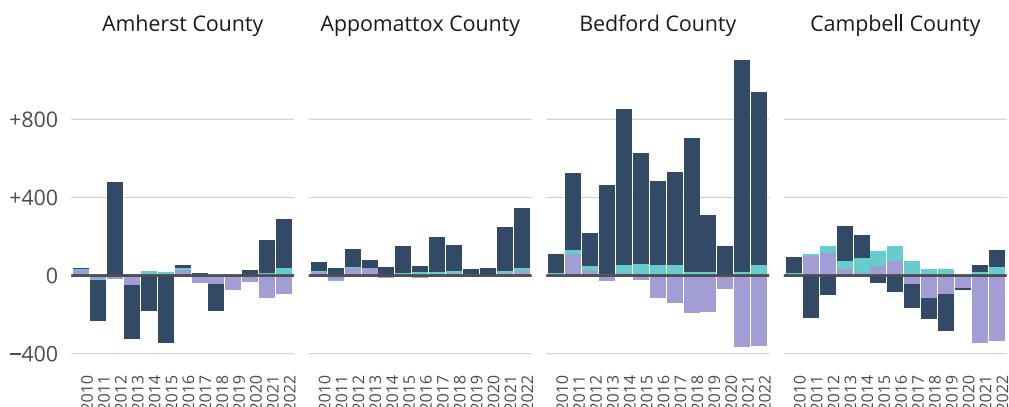
Population growth in Bedford and Appomattox can be largely attributed to domestic migration. In Bedford specifically, there has been significant losses in population due to natural decreases, but domestic migration has outpaced those decreases to lead to a net increase in population.

The loss of population in Amherst County has largely been a result of domestic out migration over the decade, but also natural decreases. It was not until recently that Amherst began to see some growth again.

Campbell County's population changes have been driven by international migration into the county for much of the last decade. And in 2021, domestic migration began to contribute towards growth whereas the county was previously seeing migration out of the county to other parts of the region, state, or nation.

Components of population change by county

Net **domestic migration**, **international migration**, and **natural increase (or decrease)**



Source: U.S. Census Bureau, Population Estimates Program.

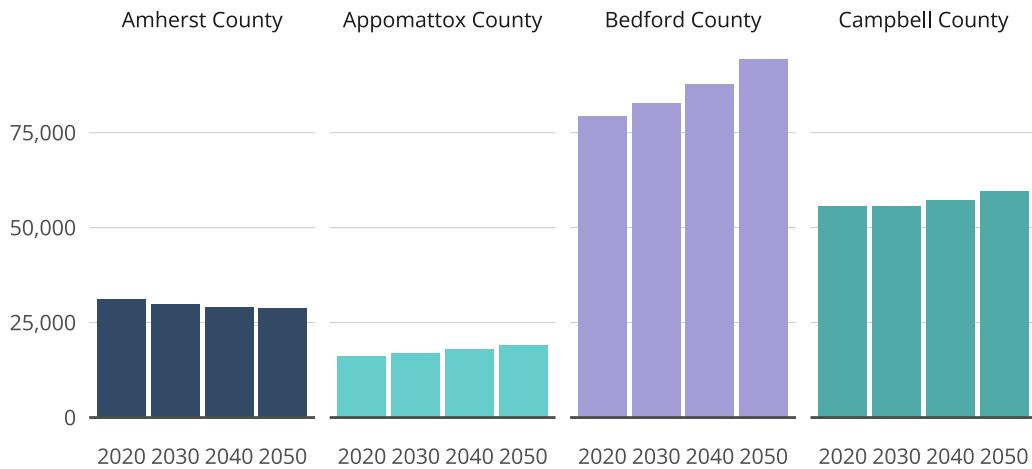
Note: Natural increase (or decrease) defined as births minus deaths.

Figure 4.3: Components of population change by county

Population projections show that Bedford County will continue to grow at a substantial rate over the next 30 years. Appomattox and Campbell will see slight growth, while Amherst is slated to see more population decline in the coming decades.

Projected total population by county

2030, 2040, and 2050 projections



Source: U.S. Census Bureau, Decennial Census and University of Virginia, Weldon Cooper Center for Public Service.

Figure 4.4: Projected total population by county

4.3 Household trends

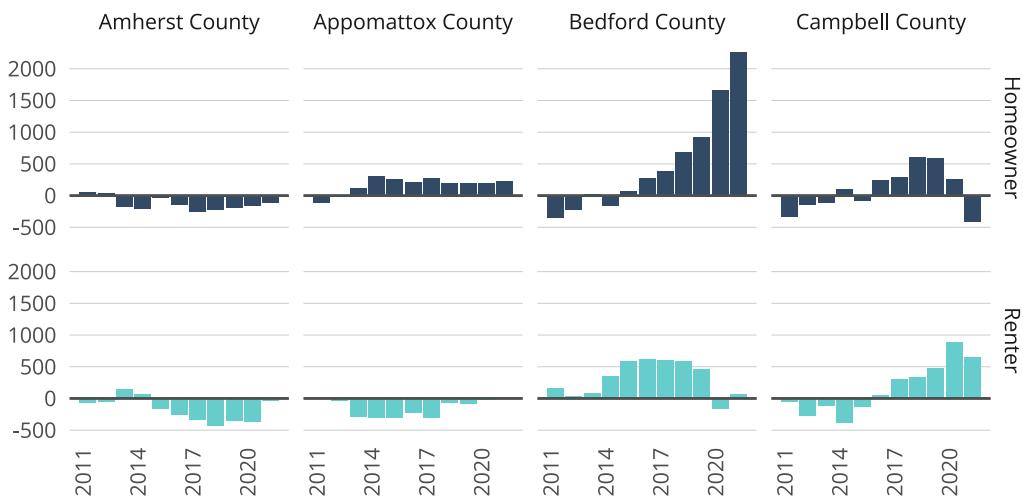
The counties are seeing varying changes among homeowner and renter households. Bedford has seen a major increase in homeowners throughout much of the last decade. As of 2021, there were 2,264 more homeowners in Bedford than in 2010.

Appomattox's growth has been mainly among homeowner households, while renters have declined overall. For Amherst, there has been similar declines in both renters and homeowners.

Meanwhile, Campbell County has seen the greatest increases in renters among the counties. From 2010 to 2021, there was an increase of 650 renter households and a decrease of 412 homeowners in Campbell.

Cumulative change in households by tenure

From 2010 to 2021



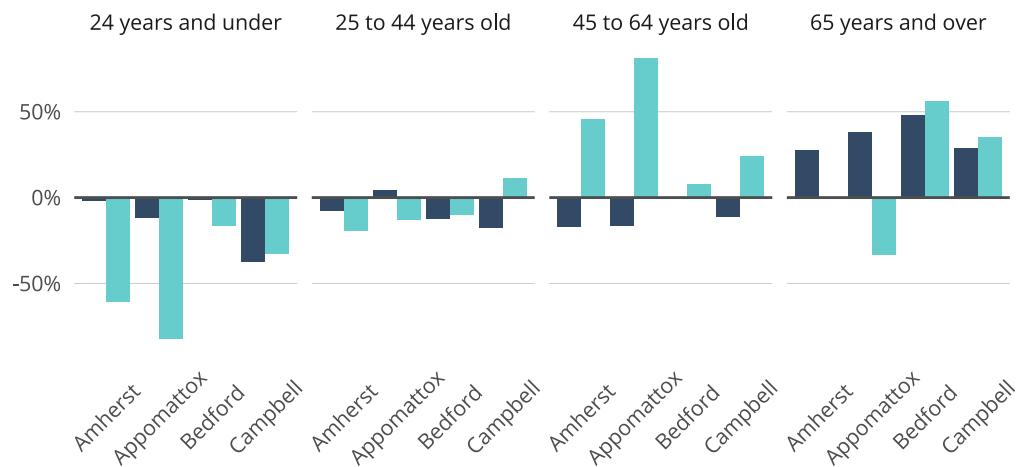
Source: U.S. Census Bureau, American Community Survey, 5-year estimates, Table B25003.

Figure 4.5: Cumulative change in households by tenure

The loss of younger households is common among the counties. The percentage of both renter and homeowner householders 45 years old or less have been declining since 2010. But older renters (45 years old and older) have been coming into the counties. Appomattox, in particular, saw an 81 percent increase in renters aged 45 to 64 years old between 2010 and 2021, while Bedford experienced a 56 percent increase in renters 65 years old and over. The growth in homeowners was predominantly among householders aged 65 years and over, where all counties experienced an over 25 percent increase since 2010.

Percent change in households by age

Among **homeowners** and **renters** from 2010 to 2021



Source: U.S. Census Bureau, American Community Survey, 5-year estimates, Table B25007.

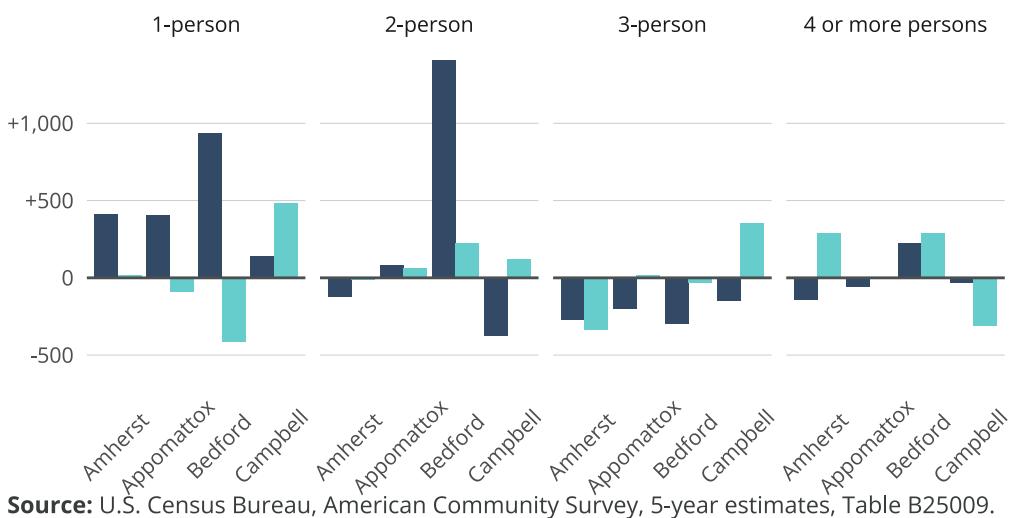
Figure 4.6: Percent change in households by age and tenure

Although younger householders are declining in the counties, smaller households are increasing. One-person homeowner households are increasing in Amherst, Appomattox, and Bedford. Unlike its neighbors, Campbell is seeing an increase in *both* one-person renter and homeowner households. Two-person households are overwhelmingly increasing in Bedford.

The counties that did see an increase in larger households were Amherst, Bedford, and Campbell. These increases were mainly among renter households, but Bedford saw an increase of four-person households for both homeowners and renters.

Change in households by size

Among **homeowners** and **renters** from 2010 to 2021



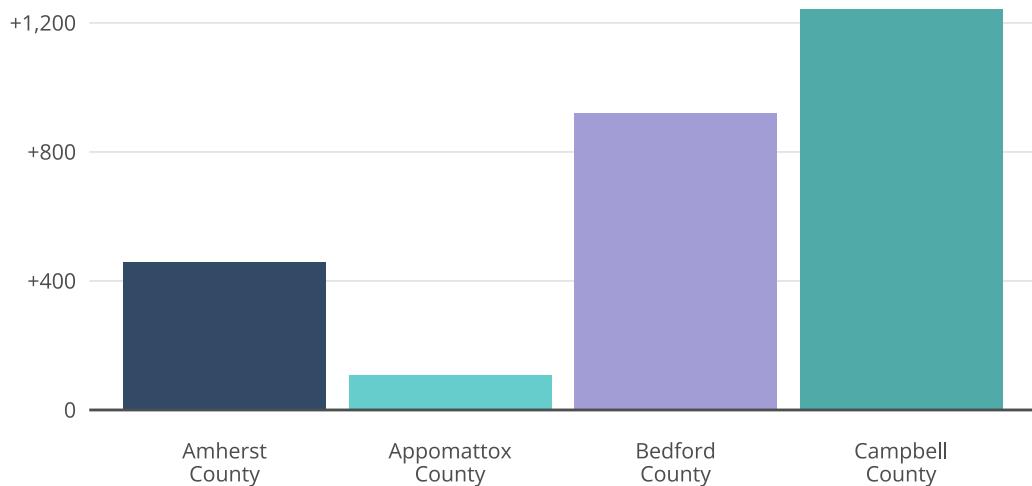
Source: U.S. Census Bureau, American Community Survey, 5-year estimates, Table B25009.

Figure 4.7: Change in households by size and tenure

The increases in smaller households may be accounted for by increases in the senior (65 years and over) population. But increasing number of seniors living alone can be of great concern for localities. Although many seniors desire to maintain their independence, professionals note that **older adults who live alone are more likely to be poor**. Campbell had the largest increase in seniors living alone from 2012 to 2021 (+1,241), followed by Bedford at an addition of 919 seniors living alone.

Change in senior population living alone

From 2012 to 2021

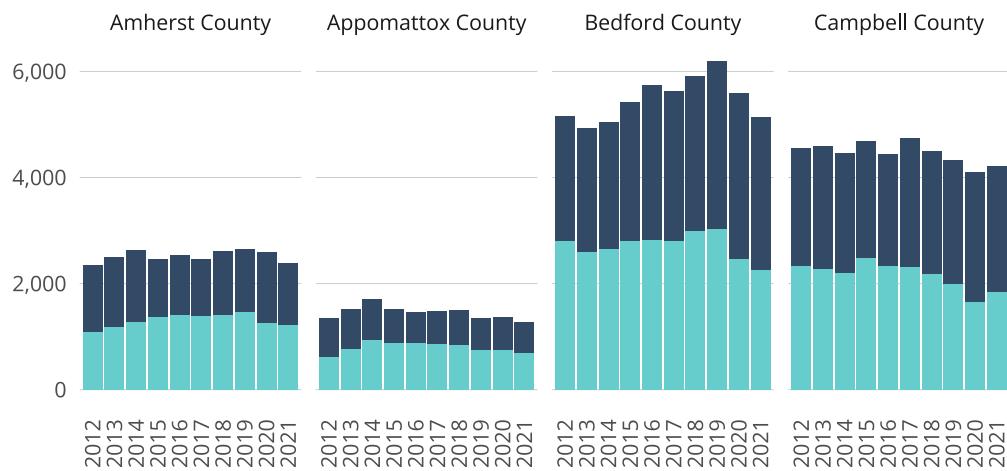


Source: U.S. Census Bureau, American Community Survey, 5-year estimates, Table B09020.

Figure 4.8: Change in senior population living alone

Adults with an ambulatory difficulty

Adults **65 years and over** and **under 65 years old**

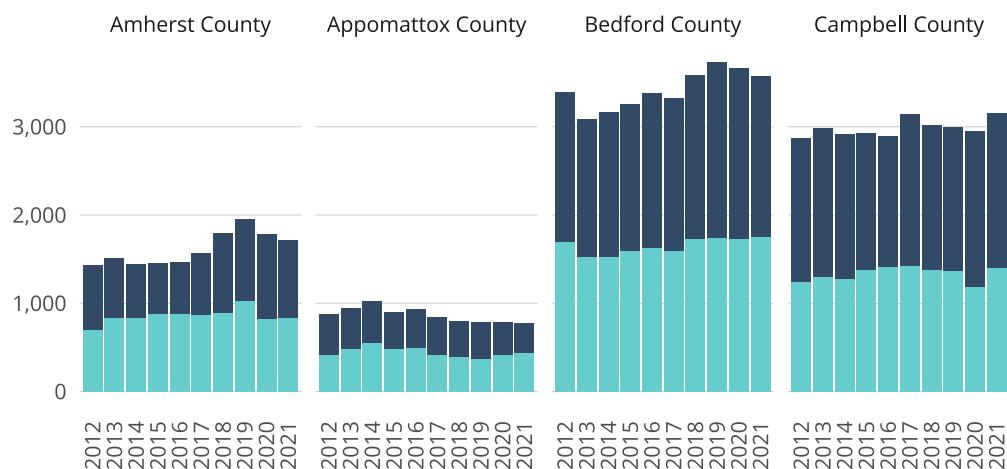


Source: U.S. Census Bureau, American Community Survey, 5-year estimates, Table B09020.

Figure 4.9: Adults with ambulatory difficulty

Adults with an independent living difficulty

Adults **65 years and over** and **under 65 years old**



Source: U.S. Census Bureau, American Community Survey, 5-year estimates, Table B09020.

Figure 4.10: Adults with independent difficulty

Rising costs in the region can force families to double up with others. This creates *subfamilies*, which the Census Bureau [defines](#) as:

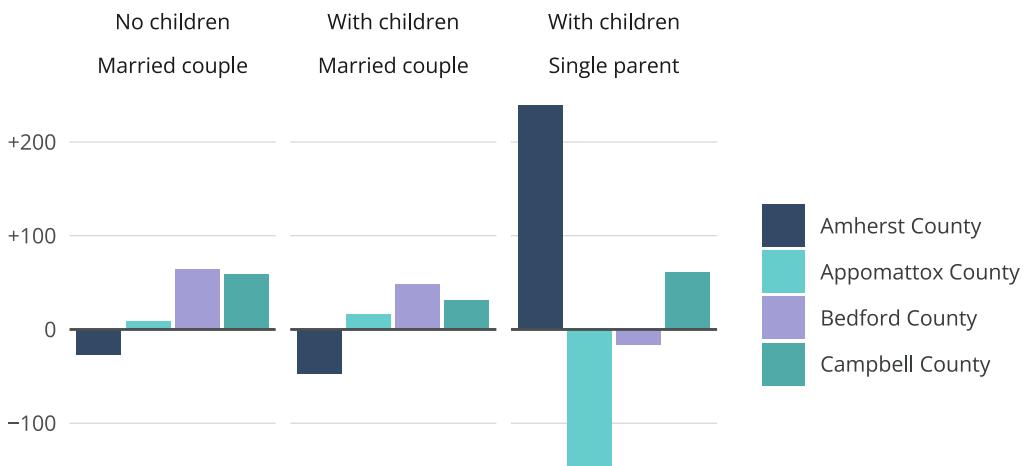
A married couple (with or without children) or an unmarried parent with one or more never-married children under the age of 18, residing with the householder, but not including the householder's spouse.

When grown children move back to the parental home with their own children under 18 or a spouse, they are considered a subfamily.

Single parents with children are the most common subfamily type that is experiencing this living situation. But over the last decade, there has been an increasing number of single parents with children living with others in Amherst County. Married couples with and without children are more likely to be in Amherst or Campbell, and their numbers have also been increasing in the last decade.

Change in subfamilies living with others

From 2010 to 2021



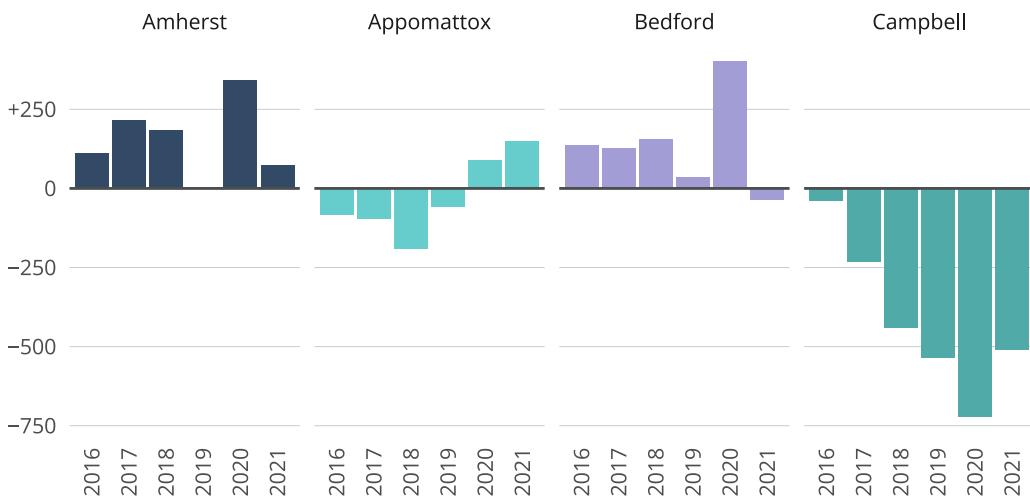
Source: U.S. Census Bureau, American Community Survey, 5-year estimates, Table B11013.

Figure 4.11: Change in subfamilies living with others

Adult children living parents can also be an indicator of affordability challenges. Campbell has consistently seen a decrease in the number of adult children living with parents since 2015, an overall decrease of 511 adults between the age of 18 and 34. Although Amherst and Bedford experienced relatively major increases by 2020, changes in the population led to an overall minimal increase (+75) for Amherst and a decrease for Bedford (-37). Appomattox saw the largest increase in adult children living with parents compared to 2015 estimates (+151).

Cumulative change in young adults living with parents

All adults aged 18-34 from 2015 to 2021



Source: U.S. Census Bureau, American Community Survey, 5-year estimates, Table B09021.

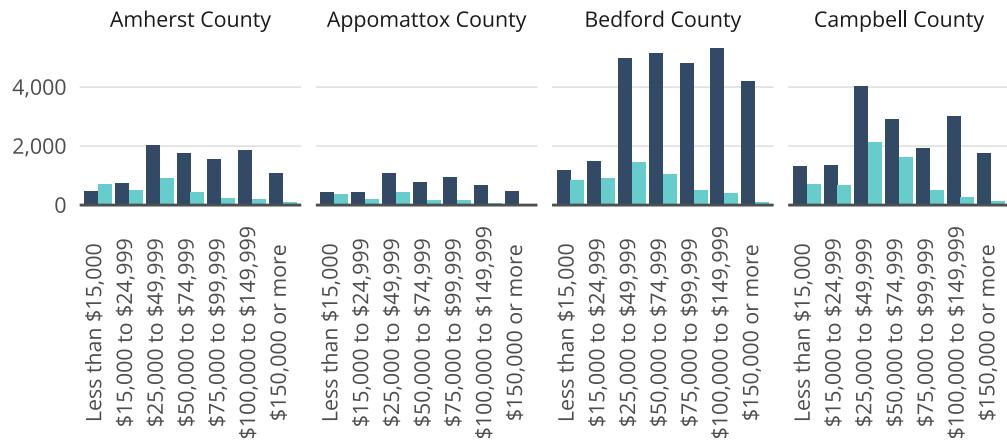
Figure 4.12: Cumulative change in young adults living with parents

4.4 Economic trends

Across the four counties, renter household incomes skew towards the lower end when compared to their homeowner counterparts, and most lower-income renter households are located in Bedford or Campbell. Homeowner households are more likely to make \$75,000 or more, especially in Bedford.

Households by income

For **homeowners** and **renters** in 2021



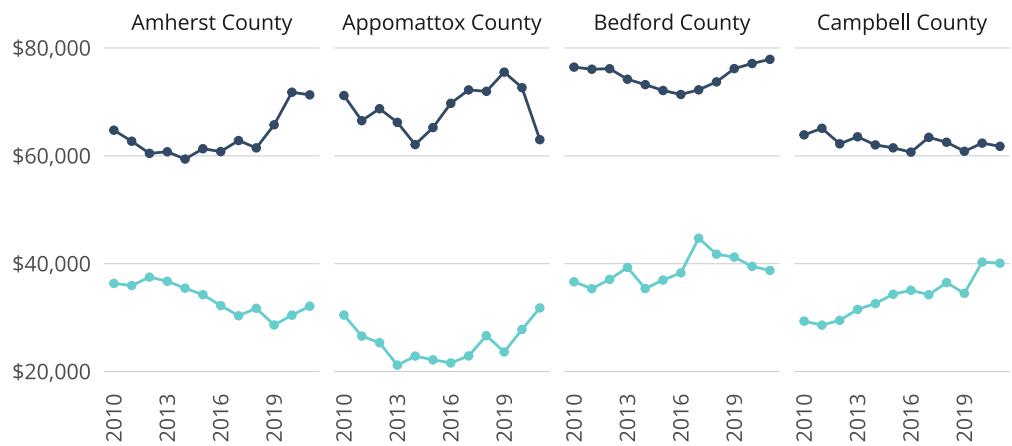
Source: U.S. Census Bureau, American Community Survey, 2017-2021 5-year estimates, Table B25118.

Figure 4.13: Households by income and tenure

Median household income shows that the typical renter income has continued to lag behind homeowners. The income gap between renters and homeowners has only widened in Amherst County and Bedford, while it has narrowed in Appomattox and Campbell. The latter has largely occurred due to the decrease in incomes for homeowners and rises in renter incomes, while the former is the result of diverging incomes in those respective communities.

Median household income

For **homeowners** and **renters** in 2021 dollars



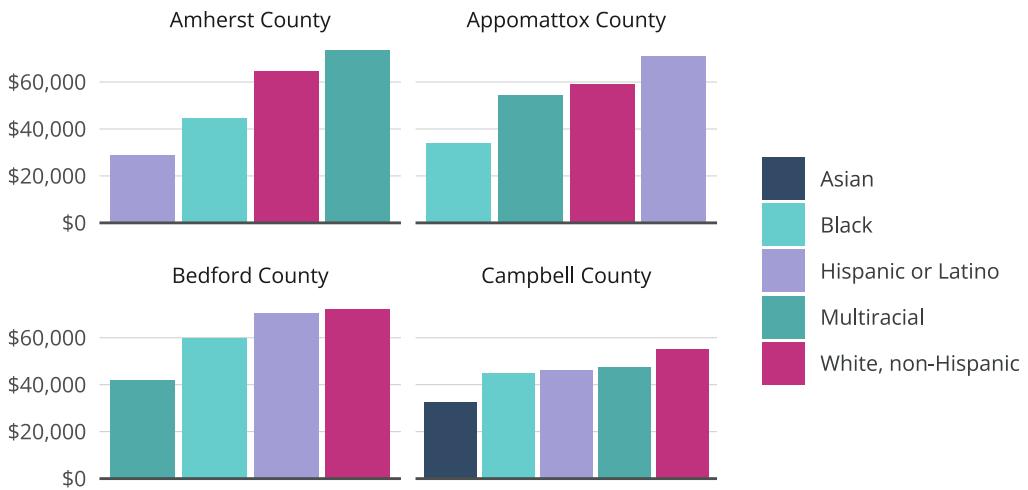
Source: U.S. Census Bureau, American Community Survey, 5-year estimates, Table B25119 and Bureau of Labor Statistics, Consumer Price Index Retroactive Series.

Figure 4.14: Median household income by tenure

The graph below shows the median household incomes of the different racial and ethnic groups for the four counties in 2021. There are varying disparities between groups depending on locality. Hispanic households in Bedford and Appomattox have much higher median incomes than their Hispanic counterparts in Amherst and Campbell. Meanwhile, Black households have median household incomes grouped towards the low-end of the spectrum, except for in Bedford, where Black median household income is comparable to white household incomes in neighboring localities.

Median household income by race and ethnicity

In 2021 inflation-adjusted dollars



Source: U.S. Census Bureau, American Community Survey, 5-year estimates, Tables B19013B-I.

Figure 4.15: Median household income by race and ethnicity

The average annual wage for all workers within each county ranges from around \$35,000 in Appomattox to around \$50,000 in Campbell. Wages for Amherst and Bedford are very similar, coming in just above \$40,000 per year.

Average annual wage

In Amherst, Appomattox, Bedford, and Campbell

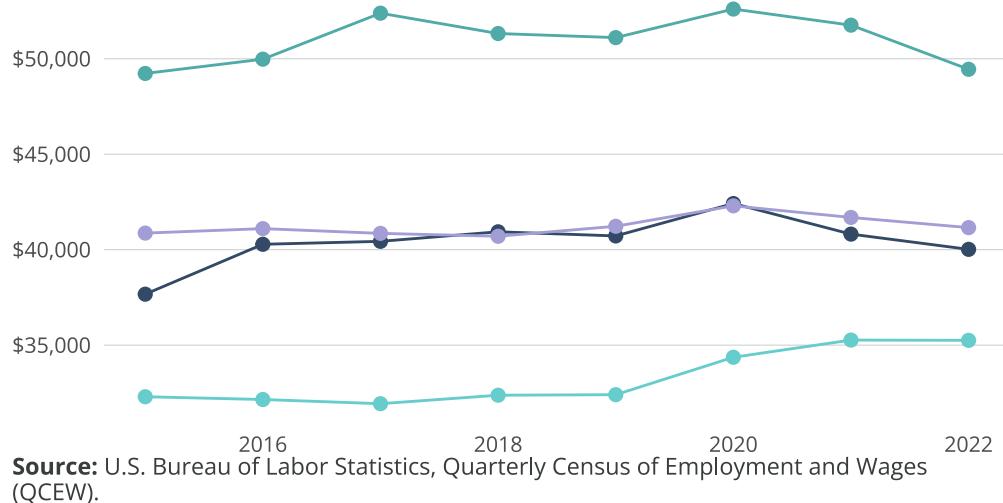


Figure 4.16: Average annual wage

4.5 Housing stock

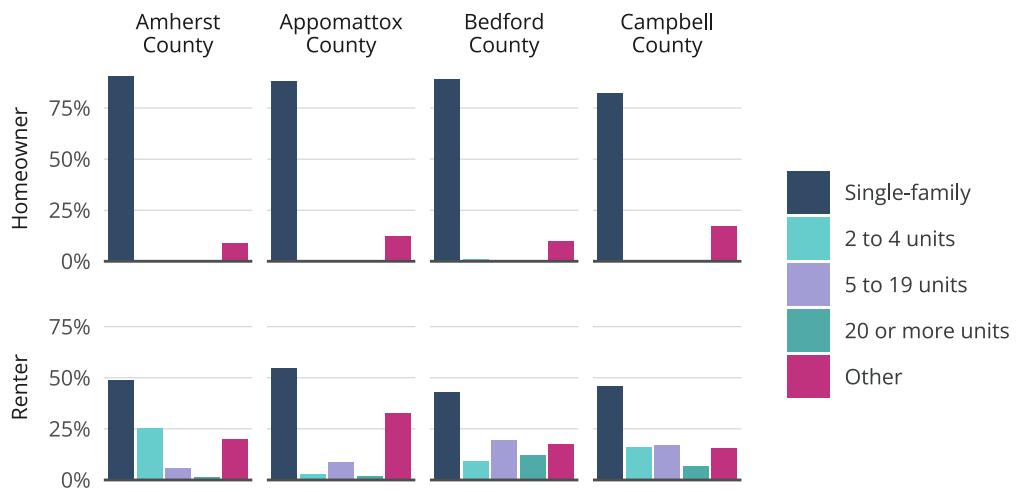
The counties contribute to 72 percent of the region's total housing stock. The majority of that share consists of single-family homes occupied by homeowners. Among the owner-occupied housing stock in the counties, there is little diversity as the only other type of housing with noticeable amounts is the "Other" category, which includes manufactured homes.

Renter housing stock in the counties is diverse, but still largely made up of single-family homes and manufactured homes. Two to four unit homes, like duplexes and quads, can look like single-family housing and can often be more affordable, but the counties only contribute one percent of this type of housing to the region's total stock.

Bedford and Campbell counties are the two jurisdictions with the largest share of actual multifamily rental units, while Appomattox County has the lowest. Amherst County has the highest share of two to four unit apartment buildings, which make up just over 25 percent of the county's total rental stock.

Housing stock by structure type and tenure

Percent of occupied housing units by tenure in 2021



Source: U.S. Census Bureau, American Community Survey, 5-year estimates, Table B25127.

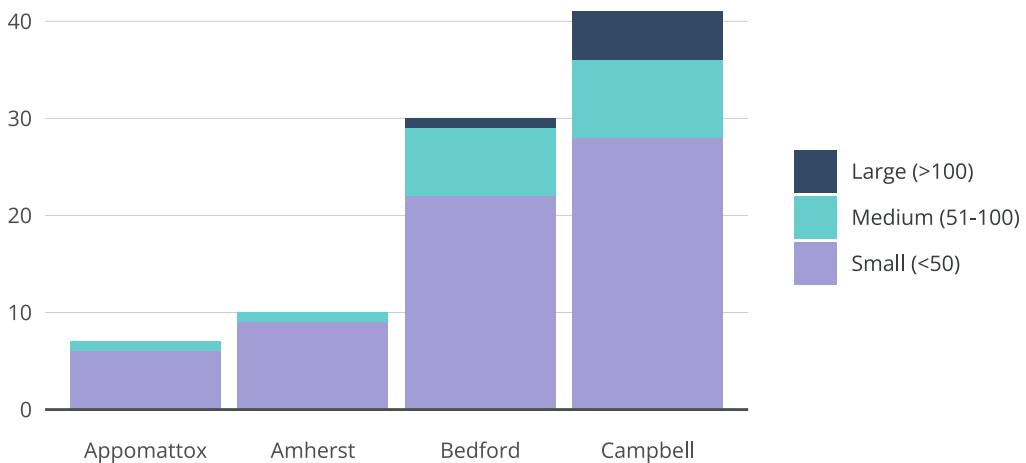
Figure 4.17: Housing stock by structure type and tenure

Manufactured home communities are prevalent among the four counties. Campbell alone has 41 manufactured home communities, most of which are communities of less than 50 homes. Bedford follows at 30 communities, 22 of which are small communities.

Although many of these communities make up a bulk of rural communities' affordable housing stock, they are often plagued with housing quality issues. This is due to the prevalence of pre-HUD Code mobile homes located in parks.

Manufactured home communities by size

Number of homes in each community by county



Source: U.S. Department of Homeland Security, Homeland Infrastructure Foundation-Level Data (HIFLD).

Figure 4.18: Manufactured home communities by size

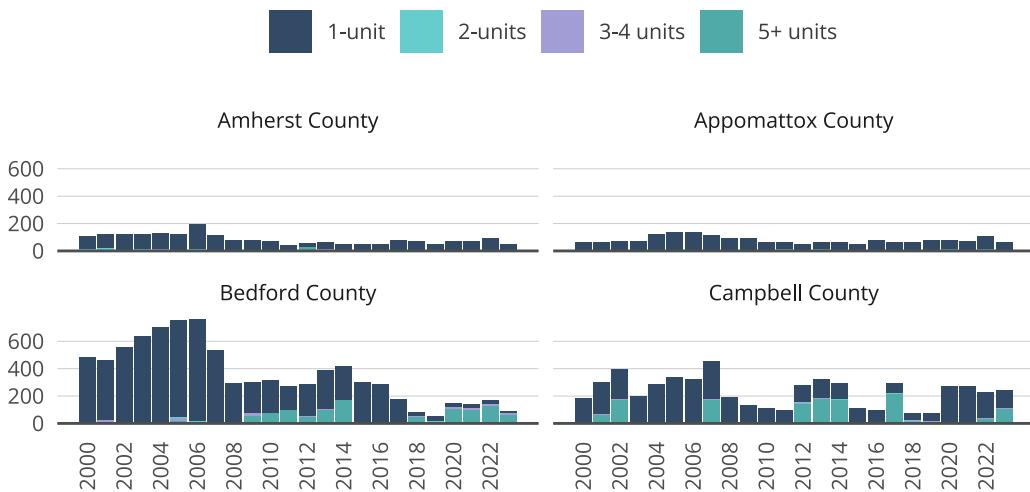
Local residential building permits show that the four counties have experienced the Great Recession and subsequent recovery differently. Bedford was on the rise pre-Recession but has struggled to recover to those previous levels, especially throughout the pandemic. But development in Bedford in recent years has focused on multifamily development (5 or more units), where it is undoubtedly centralized in the Town of Bedford.

Campbell was also seeing major growth ahead of the Great Recession but has seen starts and stops throughout the last decade. On the other hand, Amherst and Appomattox have seen little change in their building permit trends over the last two decades.

Regardless of these changes, there is a severe lack of diverse housing being built in the counties. Homes like duplexes are virtually non-existent in the development pipeline.

New residential building permits by type

Annual permits issued by locality from 2000 through April 2023



Source: U.S. Census Bureau, Building Permits Survey (BPS).

Figure 4.19: New residential building permits by type

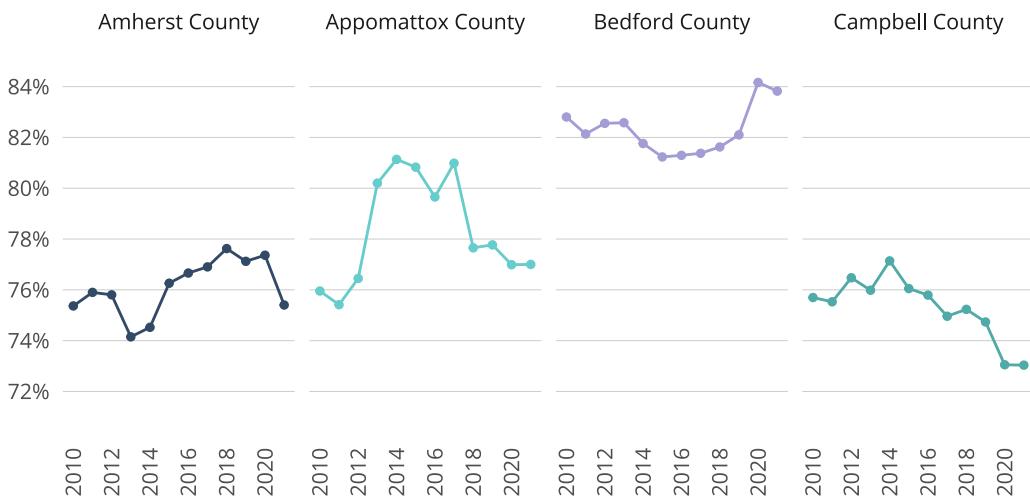
4.6 Homeownership market

Homeownership rates vary across the four localities. Bedford has the highest homeownership rate at 84 percent, while Campbell has the lowest at 73 percent. Appomattox and Campbell were initially seeing rising homeownership rates throughout the first half of the decade, but those gains began to turn to losses in the second half. For Amherst, decreasing homeownership is a recent trend from 2020 to 2021 and it is uncertain whether this will continue.

Bedford's homeownership rate was affected by the reversion of the city to town status, but in recent years, homeownership has been rising dramatically.

Homeownership rate

From 2010 to 2021



Source: U.S. Census Bureau, American Community Survey, 5-year estimates, Table B25003.

Figure 4.20: Homeownership rate

From Q2 2019 to Q2 2023, the median sales price in the counties has risen by at least \$50,000. The most substantial increases were in Bedford and Appomattox.

Median quarterly residential sales price

In Q2 2019 and Q2 2023

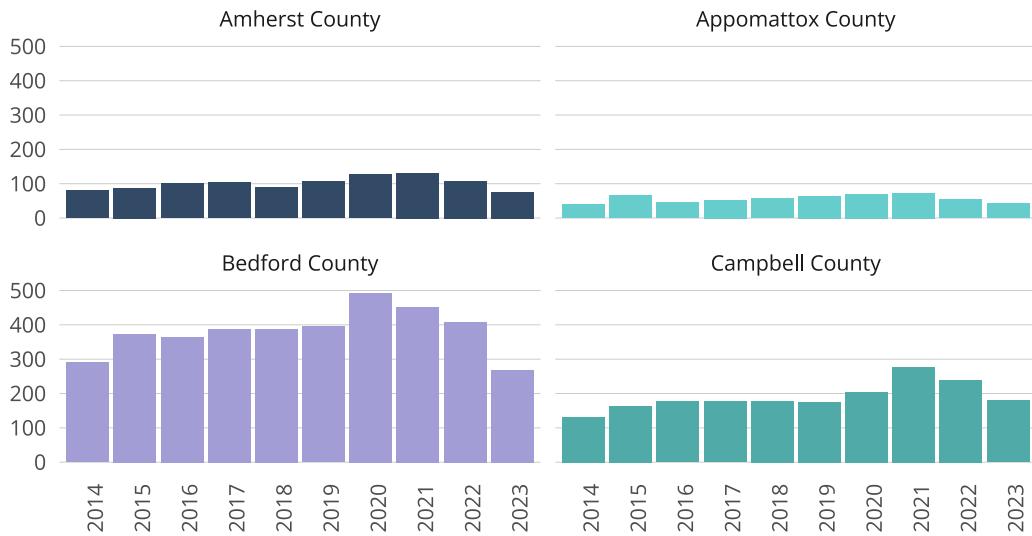


Source: Virginia REALTORS, adjusted to Q2 2023 dollars.

Figure 4.21: Median quarterly sales price

Many counties saw a bump in homes sold during 2020, no doubt a result of the pandemic's impacts on interest rates coupled with an increasing number of millennials ready for homeownership. Bedford County has consistently exceeded its neighbors in the number of home sales, followed by Campbell County. More recently, home sales have been in decline from 2021 to 2022. With rising interest rates that now sit around 7.0 percent, the hot market of the pandemic has started to cool. But prices continue to rise as supply wanes and demand maintains.

Total homes sold by county

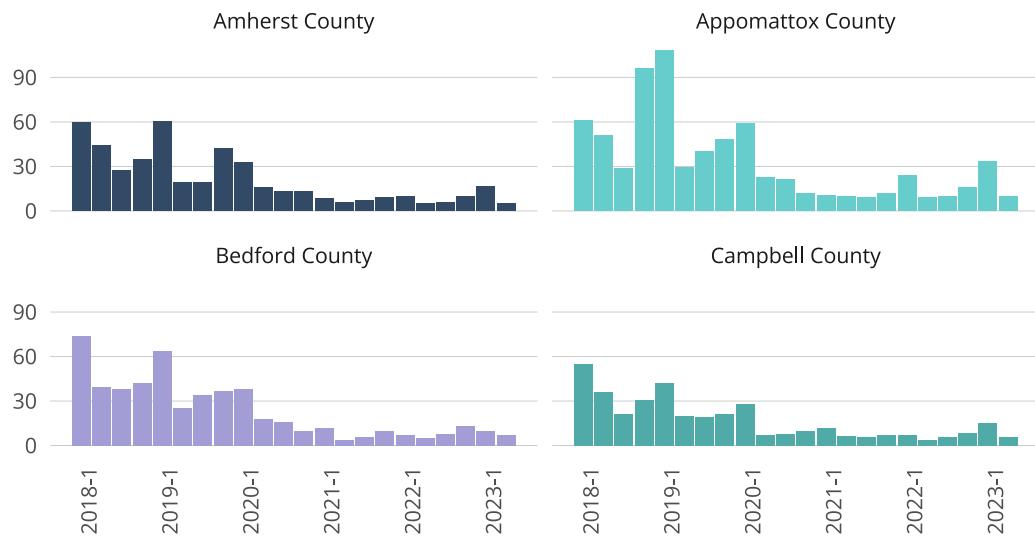


Source: Virginia REALTORS, through Q2 2023.

Figure 4.22: Homes sold by county

As an additional indicator of demand, the median days on market shows how the pandemic shifted the market in the region. While 30 days on market is a typical measure in a balanced market, the median days on market has not been above 20 days since the end of 2020 in every county (except for a few instances in Appomattox County).

Median days on market by county



Source: Virginia REALTORS, through Q2 2023.

Figure 4.23: Median days on market by county

4.7 Rental market

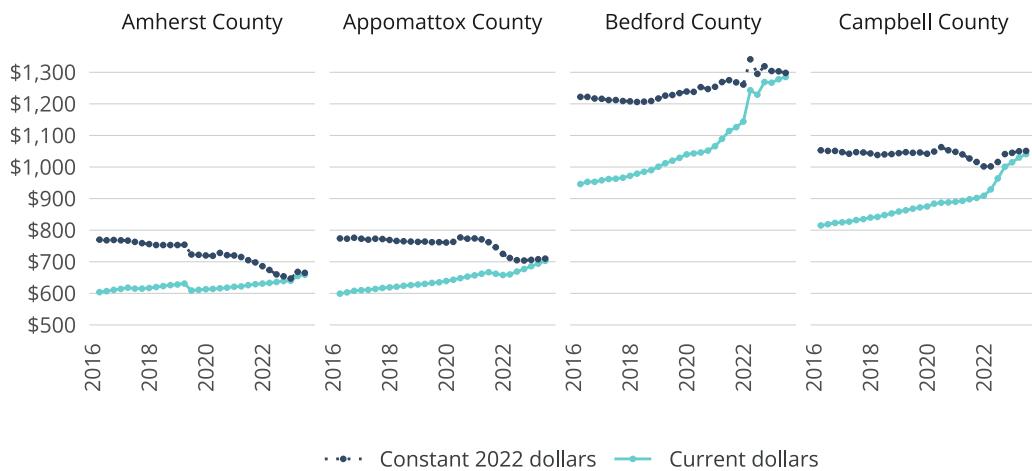
From 2016 to 2020, rental housing costs in the counties have remained relatively flat (relative to inflation). Since then, rents increased significantly in Bedford and Campbell counties. This growth coincided with rising inflation, so increases have not been significant in constant dollars. However, that adjustment does not account for the much more limited increases in renter incomes in recent years.

Note

The CoStar data used for this section does not have complete coverage of smaller scale rental properties, such as single-family homes and duplexes. Average rents are primarily sourced from larger, professionally managed apartment communities. As a result, the sample sizes for Amherst and Appomattox counties—whose rental stock is more significantly comprised of small scale units—are small. Data for these localities should be viewed with caution.

Average market asking rent by quarter

All multifamily properties by locality



Source: CoStar Group, Inc.

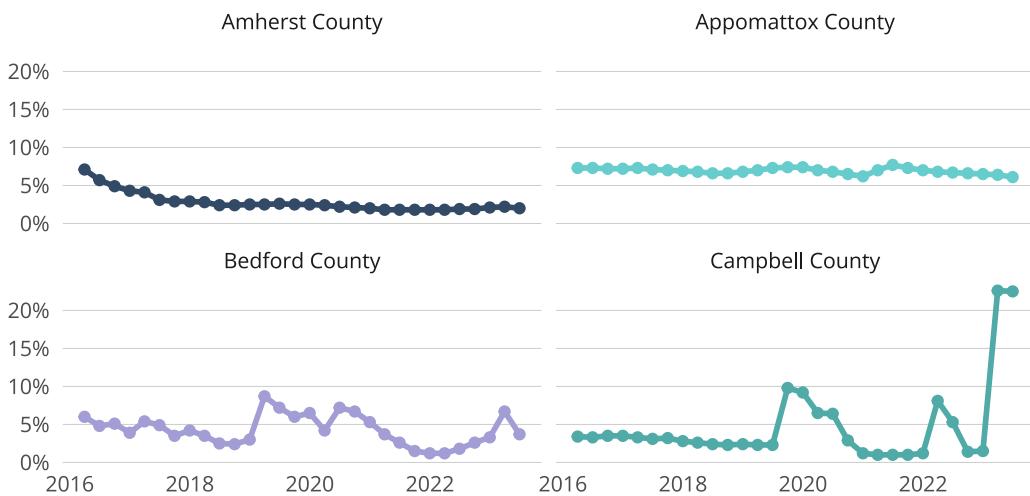
Figure 4.24: Average market asking rent by quarter

Rental vacancy rates among multifamily housing in Amherst and Appomattox have remained steady just below, and above, 5 percent, respectively. In Bedford, vacancy rates have also ranged around 5 percent, with a slight increase in the last year.

Baseline vacancy in Campbell is very low, with the exception of several temporary sharp increases. These likely reflect a significant number of new units coming online at once, followed by lease-up over the following months.

Rental vacancy rate by quarter

All multifamily properties in CoStar



Source: CoStar Group, Inc.

Rental housing supported by federal subsidy in the counties is most likely to be found in Bedford, no doubt a result of the former City of Bedford's inclusion in the data. Most of the subsidized housing in the counties is made up of project-based Section 8 rental housing (306 units, most of which resides in Bedford). The second most common subsidized housing is the Low-Income Housing Tax Credit (LIHTC) (282 units), then followed by the Rental Housing Section 515 Program administered by the U.S. Department of Agriculture (USDA) (266 units).

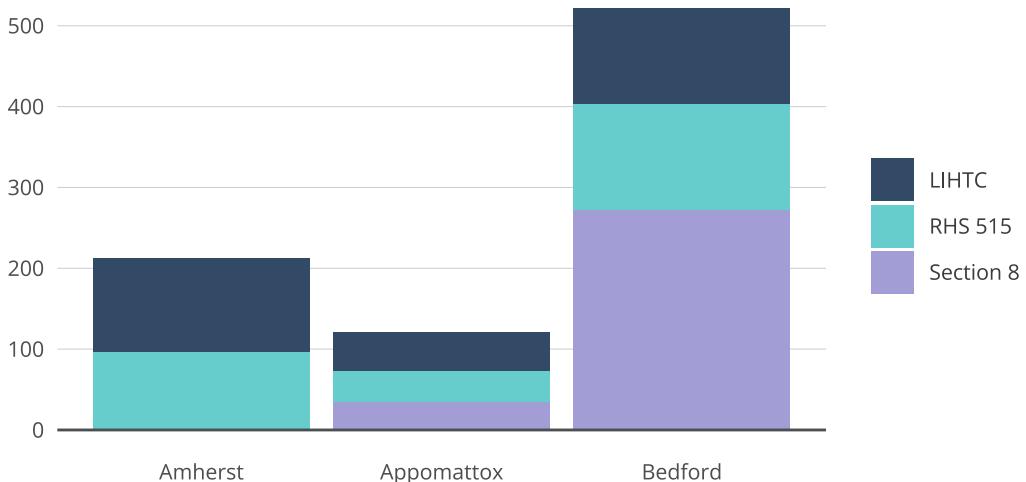
i Note

For more information about these federal housing programs, please visit the [National Housing Preservation Database's Program Descriptions page](#).

Campbell is not represented among federal housing programs, but it is important to note that these estimates on affordable housing do not include tenant-based assistance like Housing Choice Vouchers (HCVs) or state-funded programs.

Federally-assisted rental homes

Number of rental homes with active assistance by primary subsidy program



Source: National Housing Preservation Database (NHPD).

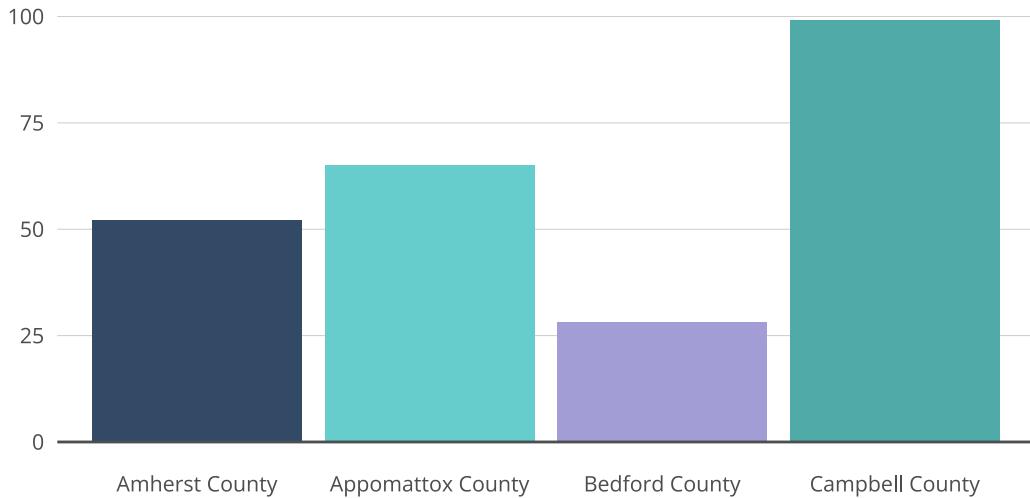
Figure 4.25: Federally-assisted rental homes

Housing Choice Vouchers allow low-income individuals and families to find housing in the private market. HCVs serve as rental assistance to help households pay for housing that may exceed the value of the voucher. HCVs can also be project-based vouchers, meaning that a housing authority can re-allocate funding to tie a tenant-based voucher to a specific housing development.

In the counties, there are 248 HCVs being used by low-income households. Forty-two percent of those vouchers are being utilized in Campbell County.

Households with Housing Choice Vouchers

Number of renters using HCVs in private rental homes



Source: U.S. Department of Housing and Urban Development.

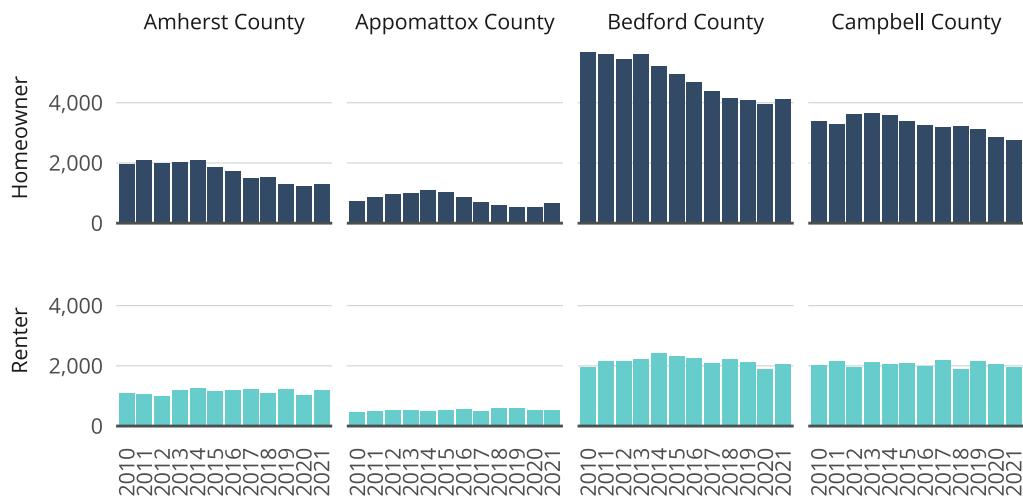
Figure 4.26: Households with Housing Choice Vouchers

4.8 Affordability

Locally, trends in cost burden follow regional patterns of decreasing cost burden as a whole. But while cost burden for homeowners have been decreasing in each of the counties, renter cost burden has remained relatively unchanged over the last decade.

Cost-burdened households by tenure

From 2010 to 2021



Source: U.S. Census Bureau, American Community Survey, 5-year estimates, Table B25106.

Figure 4.27: Cost-burdened households by tenure

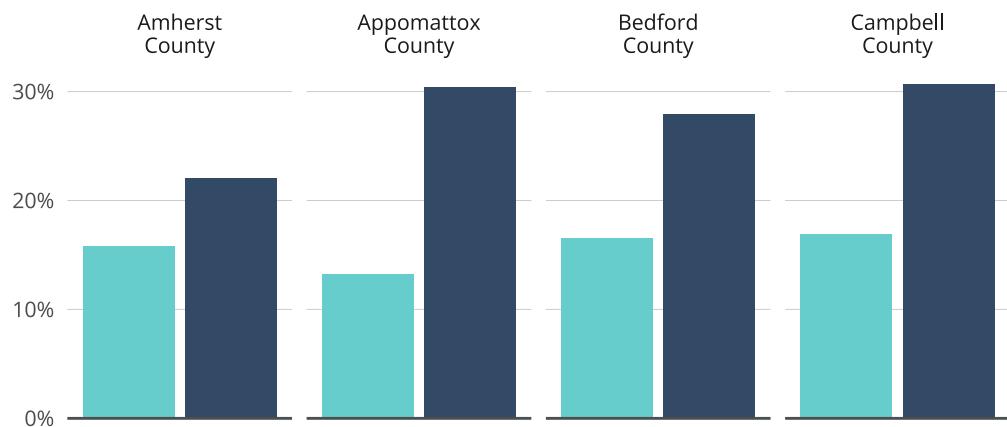
Cost burden by race and ethnicity shows that white households across all four counties are less likely to be cost-burdened. This has been consistent since 2012.

Caution

The margins of error for Asian and Hispanic households, as well as other minority groups in the region (multiracial households included), are significantly high. This is most often due to the small sample sizes. For this reason, we have excluded them from the data visualization.

Cost burden by race and ethnicity

Percent of **Black** and **white** cost-burdened households in 2020



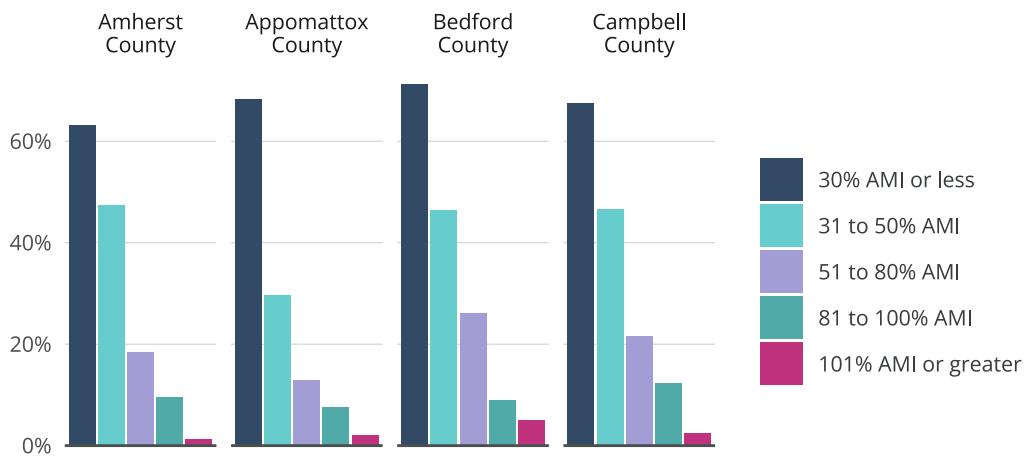
Source: U.S. Department of Housing and Urban Development, Comprehensive Housing Affordability Strategy (CHAS), Table 9.

Figure 4.28: Cost burden by race and ethnicity

As at the regional-level, extremely low- (30 percent AMI or less) and very low-income (31 to 50 percent AMI) households face greater cost burden than their higher income counterparts. But in Amherst and Campbell, nearly one in five low-income household (51 to 80 percent AMI) are cost-burdened. In Bedford, that share is closer to one in four. Very few households above 80 percent AMI have significant trouble with housing costs.

Local housing cost burden by AMI

Percent of cost-burdened households by household income in 2020



Source: U.S Department of Housing and Urban Development, Comprehensive Housing Affordability Strategy (CHAS), Table 7.

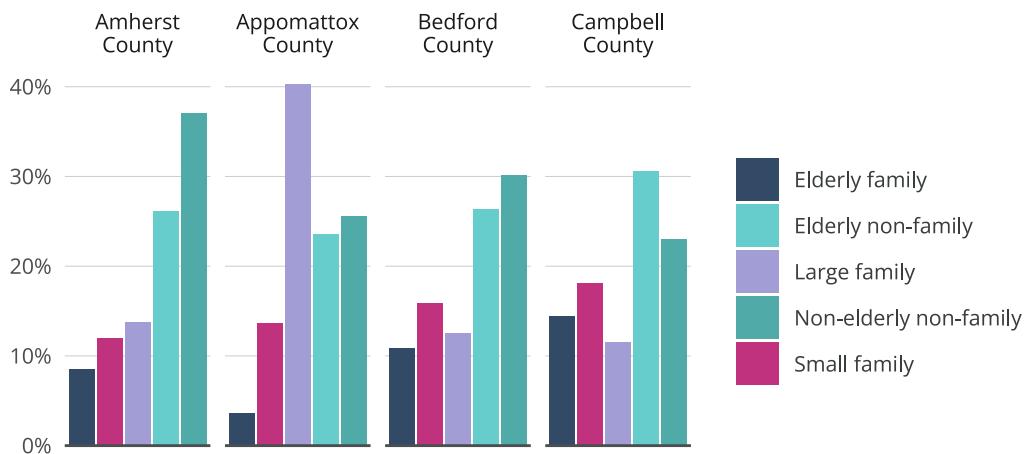
Figure 4.29: Local housing cost burden by AMI

In Amherst and Bedford, non-elderly, non-family households (i.e. individuals living alone or with unrelated persons) were more likely to be cost-burdened than any other household type, 37 and 30 percent cost-burdened, respectively. Meanwhile, in Campbell, 31 percent of elderly, non-family households (i.e. seniors living alone or with unrelated persons) were cost-burdened in 2020.

These two household types face the most difficult challenges in affordability, most likely due to the challenges of affording housing alone. But interestingly, just over four in ten large families in Appomattox are cost-burdened, a divergence from trends in the other three counties.

Cost burden by household type

Percent of households with cost burden by household type in 2020



Source: U.S. Department of Housing and Urban Development, Comprehensive Housing Affordability Strategy (CHAS), Table 7.

Figure 4.30: Cost burden by household type

The chart below shows whether renter households are currently living in affordable or unaffordable apartments, broken down by Area Median Income (AMI) up to 80 percent AMI. For example, among all renters at or below 30 percent AMI in Amherst County, 355 are able to afford their current home, while another 320 cannot.

This represents a rental housing “gap” of more than 300 homes that must be created or made affordable to alleviate cost burden among those renters. Across the region, this gap is most severe for renters below 50 percent AMI. Very few renters between 50 and 80 percent AMI currently struggle to afford their home.

🔥 Caution

As of September 2023, the latest available CHAS estimates published by HUD are based on the 2016-2020 American Community Survey 5-year estimates. Therefore, these estimates **do not** reflect changes that have occurred since the beginning of the COVID-19 pandemic.

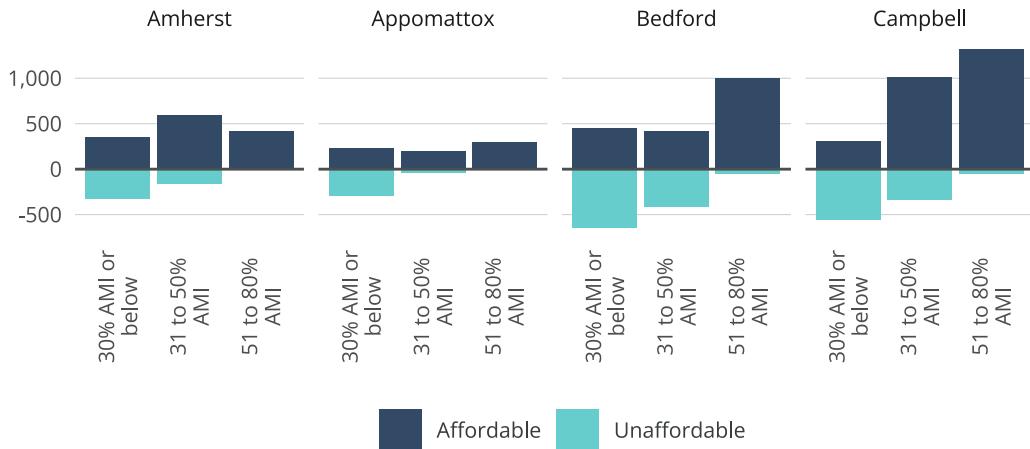
There are undoubtedly other factors that impact housing affordability that CHAS data does not take into account. The following estimates should serve as a baseline estimate of need.

Across all four counties, the rental housing gap below 30 percent AMI is 1,809 units, 949 units between 30 and 50 percent AMI, and 105 units between 50 and 80 percent AMI. The

total rental housing gap is 2,863.

Rental housing gap by household income

Affordability of existing rental homes by AMI of current occupants (2020)



Source: U.S. Department of Housing and Urban Development, Comprehensive Housing Affordability Strategy, Table 18B

Figure 4.31: Rental housing gap by household income

5 Lynchburg market analysis

The following provides an analysis of major trends impacting housing within the City of Lynchburg.

5.1 Takeaways

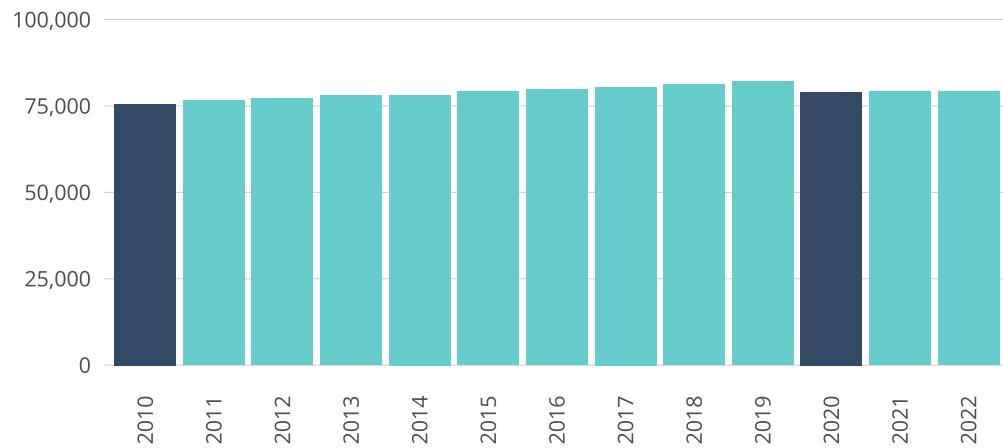
- Growth in the city has been a result of international migration and natural increases.
- Once 44 percent renter households, the city is now majority renter households at 51 percent.
- There has been a loss of homeowners in the city, mainly among those households aged 25 to 64 years old.
- The number of higher income households is growing in the city, even among renters, but there is also a growing number of extremely low-income renters.
- In spite of its urban environment, housing in the city is dominated by single-family housing.
- Homeownership is declining as prices have climbed rapidly during the pandemic.
- Large amount of detached single-family rentals, especially in College Hill and Diamond Hill areas.
- Rental prices have remained generally flat among multifamily properties, but cost burden among renters has continued to rise.

5.2 Population trends

From 2010 to 2020, Lynchburg has only grown by four percent to reach a population of 79,009. Despite this growth, the current population is an estimated decline from a 2019 estimated population of 82,168.

Total population in Lynchburg

Census counts and population estimates

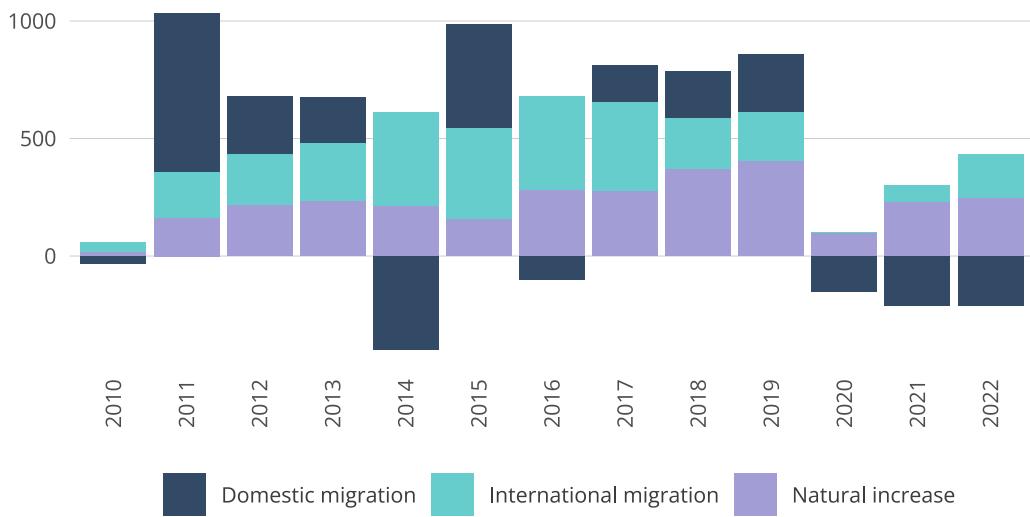


Source: U.S. Census Bureau, Decennial Census and Population Estimates Program and UVA, Weldon Cooper Center.

Figure 5.1: Total population in Lynchburg

The growth in population over the last decade in Lynchburg has been a result of international migration and natural increases. This is in contrast to the rest of the region where growth has been driven by domestic migration. The natural increases are notable for the region, indicating a larger number of households having children in the city.

Components of population change in Lynchburg



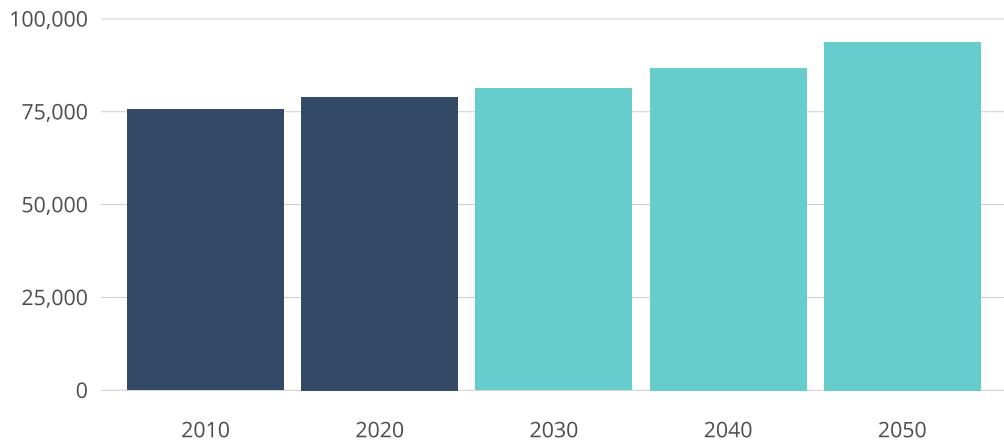
Source: U.S. Census Bureau, Population Estimates Program.

Figure 5.2: Components of population change in Lynchburg

Despite the decrease in population from 2019 to 2020, the city is expected to see continued growth over the next few decades. By 2050, the city is projected to have a population of 93,708, a 19 percent increase over 30 years.

Projected population in Lynchburg

Census counts and population projections



Source: U.S. Census Bureau, Decennial Census and Population Estimates Program and UVA, Weldon Cooper Center.

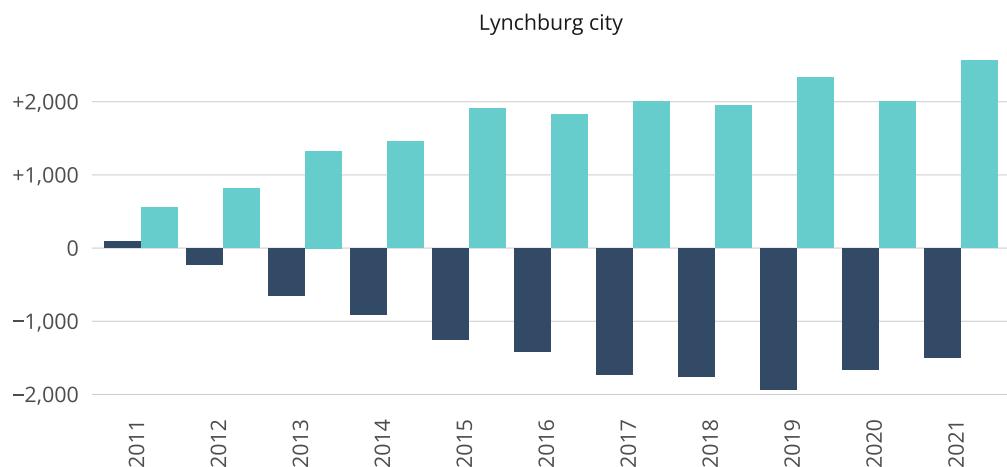
Figure 5.3: Projected population in Lynchburg

5.3 Household trends

Lynchburg has steadily lost homeowners, while gaining renters. By 2021, the city had gained a total of 2,563 renters since 2010, while subsequently losing 1,499 homeowners. These changes have left the balance of renter and homeowner households in slight favor of renters, as renter households make up 51 percent of households in the city. This is a shift from 2010 when renter households made up 44 percent of all households in the city.

Cumulative change in households by tenure in Lynchburg

Homeowners and **renters** from 2010 to 2021



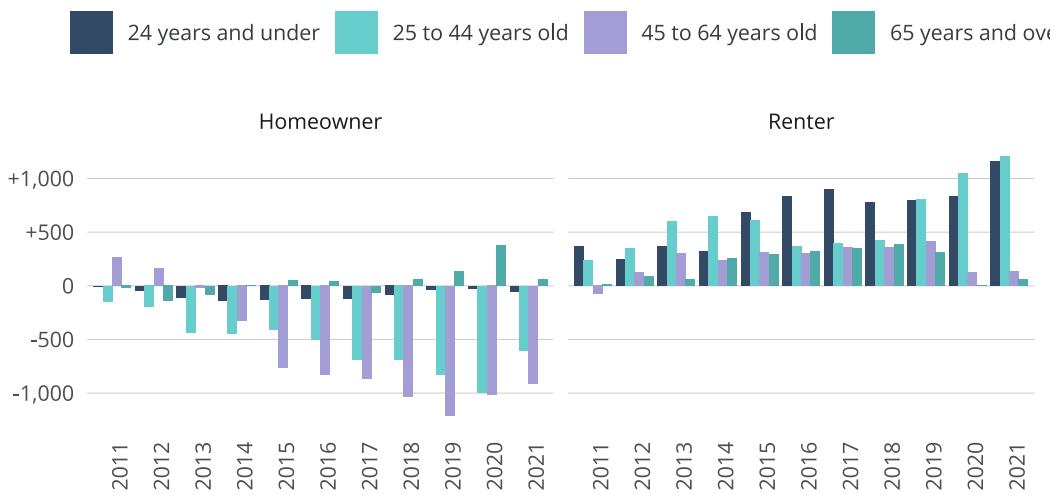
Source: U.S. Census Bureau, ACS 5-Year Estimates, Table B25003.

Figure 5.4: Change in households by tenure in Lynchburg

Breaking down the changes in tenure by age shows that more households of all ages are now renting in the city. The largest increases were among renter households under 45 years old, an obvious result of the many higher education institutions in the city.

Losses were mainly among 25 to 64 year old homeowners. By 2021, the city had lost 603 25 to 44 year old homeowner households and 909 45 to 64 year old homeowner households.

Cumulative change in households by age and tenure in Lynchburg



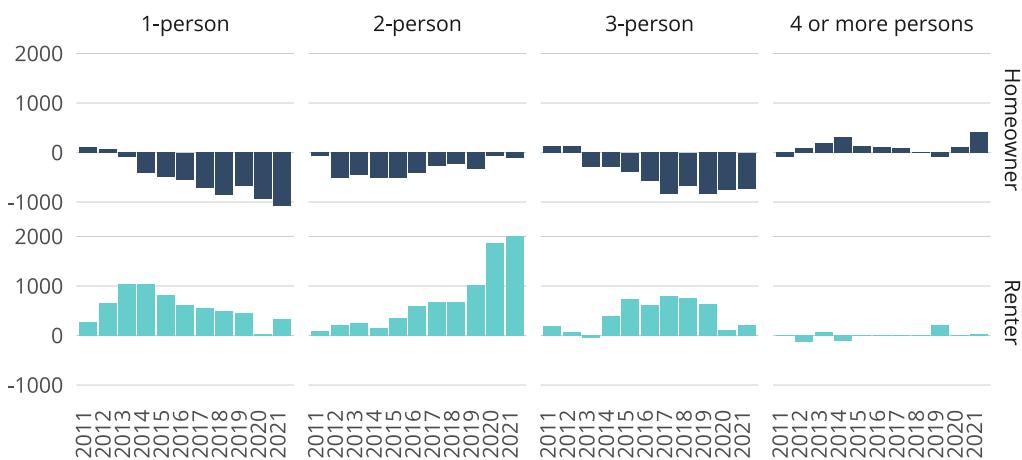
Source: U.S. Census Bureau, ACS 5-Year Estimates, Table B25007.

Figure 5.5: Cumulative change in households by tenure and age in Lynchburg

Among those growing number of renters, most of those households have been two-person households, an addition of 2,011 from 2010 to 2021. Households of three people or less have been declining among homeowners, but four or more person homeowner households surprisingly grew by 409 during this time.

Cumulative change in households by size and tenure in Lynchburg

From 2010 to 2021



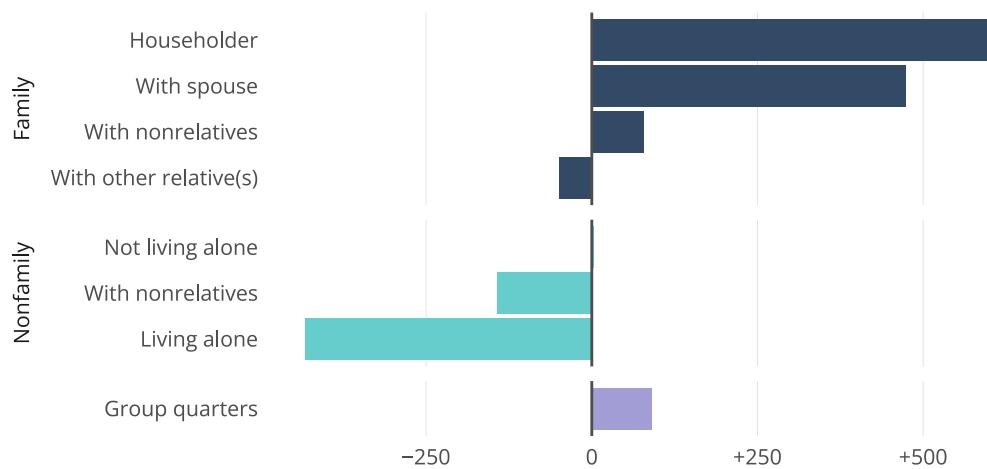
Source: U.S. Census Bureau, ACS 5-Year Estimates, Table B25009.

Figure 5.6: Cumulative change in households by size and tenure in Lynchburg

The city has experienced a decreasing number of seniors living alone or with nonrelatives in recent years (-575). This is another contrast to the surrounding counties, where more and more seniors are living alone. Whether this is the result of Lynchburg seniors moving to the counties is not easily discerned, but regardless seniors in the city may find it more difficult to find housing that meets their needs for aging-in-place. Seniors in the city are rather increasingly the head of household (+604) or living with a spouse (+473).

Change in senior population by living arrangement in Lynchburg

From 2012 to 2021



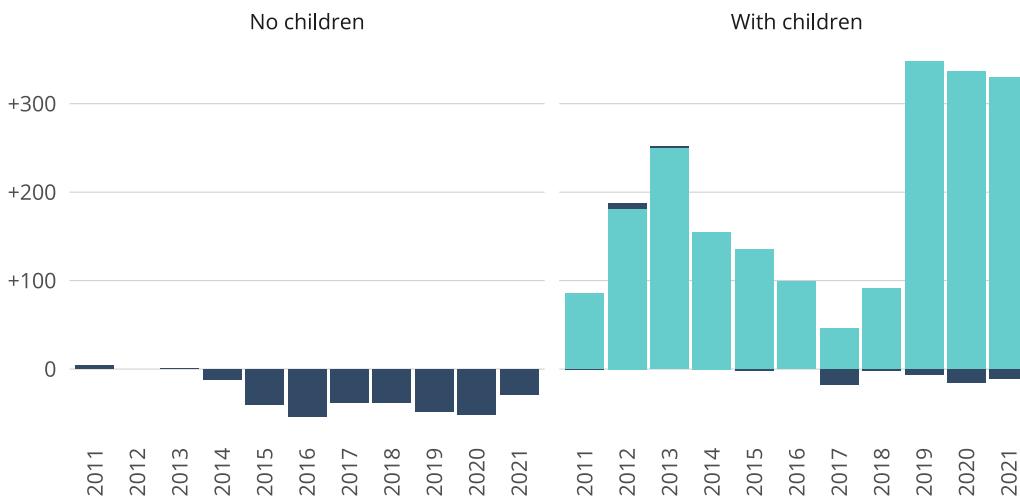
Source: U.S. Census Bureau, American Community Survey, Table B09020.

Figure 5.7: Change in senior population in Lynchburg

The number of single parents living with other families is increasing in the city. From 2010 to 2021, there has been an increase of 330 single parents having to live with others.

Cumulative change in families living with others in Lynchburg

Change among **married couples** and **single parents** from 2010 to 2021.



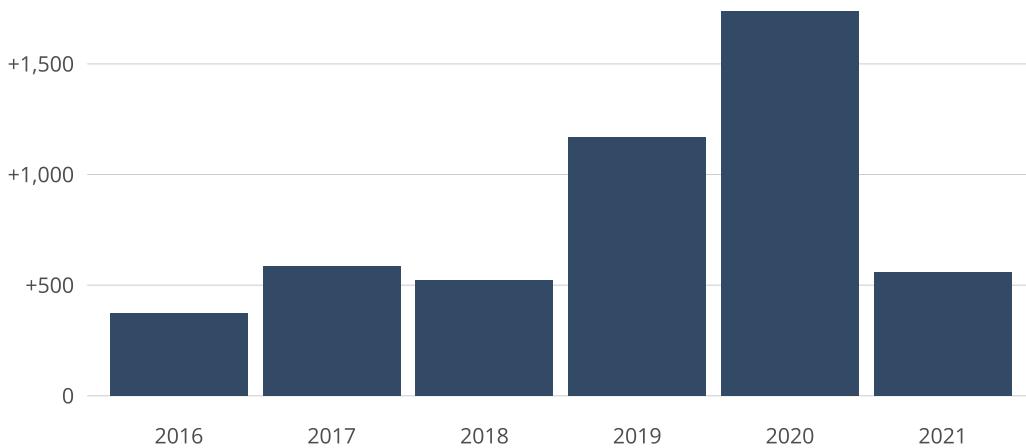
Source: U.S. Census Bureau, ACS 5-Year Estimates, Table B11013.

Figure 5.8: Cumulative change in families living with others in Lynchburg

Although the city was seeing a significant increase in adult (18 to 34 years old) children living with parents between 2016 and 2020, the overall increase was only 558 by 2021, when there were 4,730. These living arrangements, as well as families living with others, are often an indicator of affordability challenges in communities. The increase in 2020 may have likely been a result of pandemic impacts, and the subsequent decrease by 2021 could have been the result of loosening pandemic restrictions, as well as many millennials entering homeownership.

Cumulative change in adult children living with parents in Lynchburg

From 2015 to 2021



Source: U.S. Census Bureau, ACS 5-Year Estimates, Table B09021.

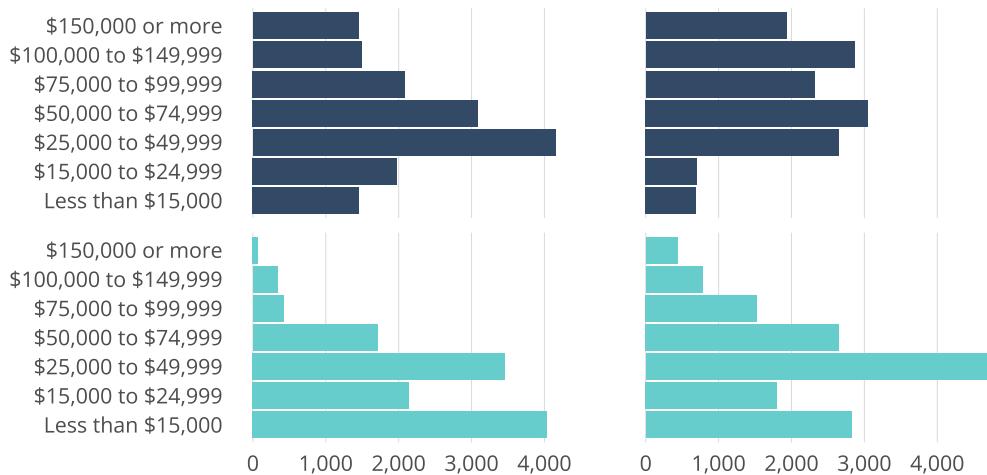
Figure 5.9: Cumulative change in adult children living with parents in Lynchburg

5.4 Economic trends

Income distribution in the city has shifted from 2010 to 2021. Lower income homeowner households have decreased over a decade, resulting in fewer homeowners making less than \$25,000. And while there has been an increase in lower income renter households, there has also been an increase in renter households making \$75,000 or more.

Income distribution in Lynchburg

For **homeowners** and **renters** in 2010 and 2021



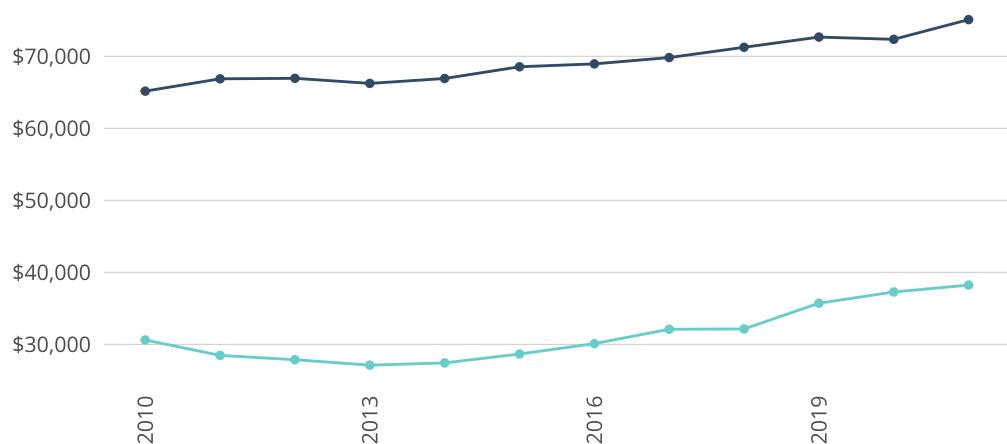
Source: U.S. Census Bureau, ACS 5-Year Estimates, Table B25118.

Figure 5.10: Income distribution by tenure in Lynchburg

Median household income emphasizes these shifts. Homeowner median household income has increased by 15 percent from 2010 to 2021, while renter income increased by 25 percent. The growth in the median renter income was the result of higher income renters coming into the city, but still the typical renter in the city only makes about half (\$38,229) of what a homeowner makes (\$75,093).

Median household income by tenure in Lynchburg

For **homeowners** and **renters** in 2021 dollars



Source: U.S. Census Bureau, ACS 5-Year Estimates, Table B25119 and Bureau of Labor Statistics, Consumer Price Index Retroactive Series.

Figure 5.11: Median household income by tenure in Lynchburg

In the city, Hispanic households have seen major increases in median household income since 2010. As of 2021, Hispanic households have the highest median income at \$72,680. White, non-Hispanic households follow at \$62,857, a slight increase of about \$9,000 from 2010.

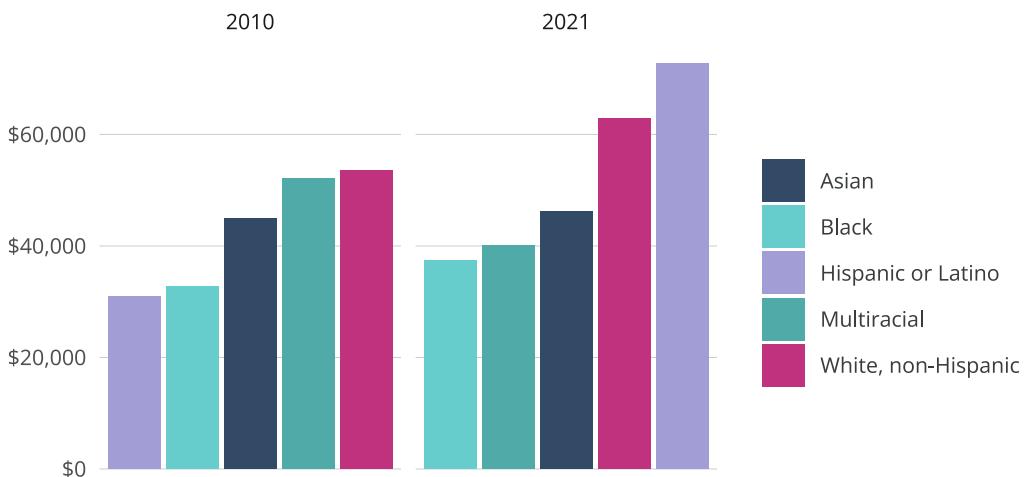
Black households in the city, however, had consistently low median household incomes. From 2010 to 2021, the Black median household income had only increased by 14 percent, while their white counterparts saw an 18 percent increase, furthering the Black-white income gap.

Warning

It is important to consider that the estimated median household income for Hispanics in the City of Lynchburg had a high margin of error in 2021 (+/- \$23,689). Asian and multiracial households had high margins of error as well, although not as high as Hispanic households. The information provided here should be viewed with caution.

Median household income by race and ethnicity in Lynchburg

In 2021 inflation-adjusted dollars



Source: U.S. Census Bureau, ACS 5-Year Estimates, Table B19013B - I.

Figure 5.12: Median household income by race and ethnicity in Lynchburg

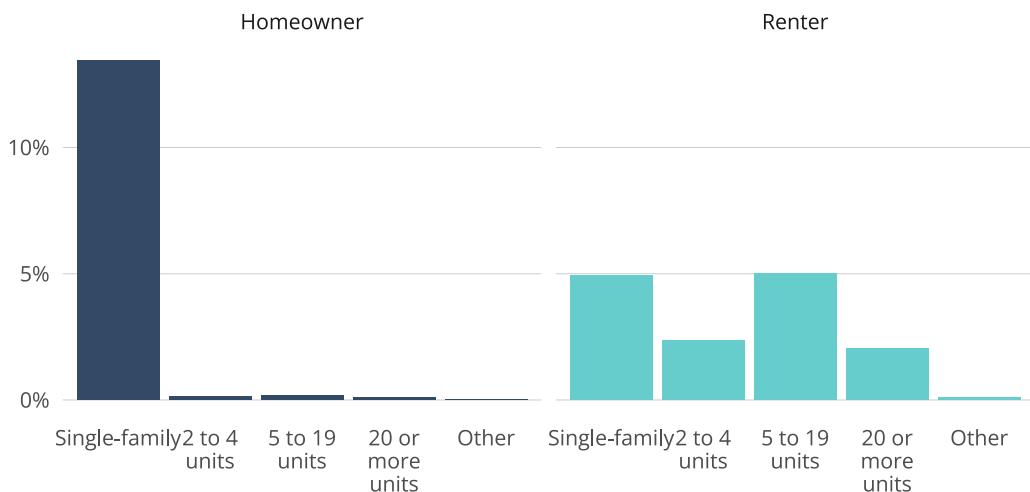
5.5 Housing stock

Lynchburg contributes to 28 percent of the region's total housing stock in 2021. Most of that contribution is composed of single-family housing that is in the homeownership stock. Despite its urban environment, the homeownership stock in the city is not diverse and very few duplexes and other smaller housing types are not utilized for homeownership.

Rather, diverse housing is largely used for rental housing. Most of the rental housing stock in the city is made up of single-family and medium-scale multifamily (5 to 19 units).

Lynchburg's share of regional housing stock

Percent of region's occupied homes within Lynchburg by tenure and type in 2021



Source: U.S. Census Bureau, ACS 5-Year Estimates, Table B25127.

Figure 5.13: Lynchburg's share of regional housing stock

Manufactured home communities exist within the city limits, mainly on the outskirts along major thoroughfares. Six of the eleven communities are located along or in proximity to Lakeside Drive in the western end of the city. The majority of communities are small, consisting of fewer than 50 homes. Although not as prevalent as in the counties, manufactured home communities also provide an affordable housing option within the city.

Manufactured home communities in Lynchburg

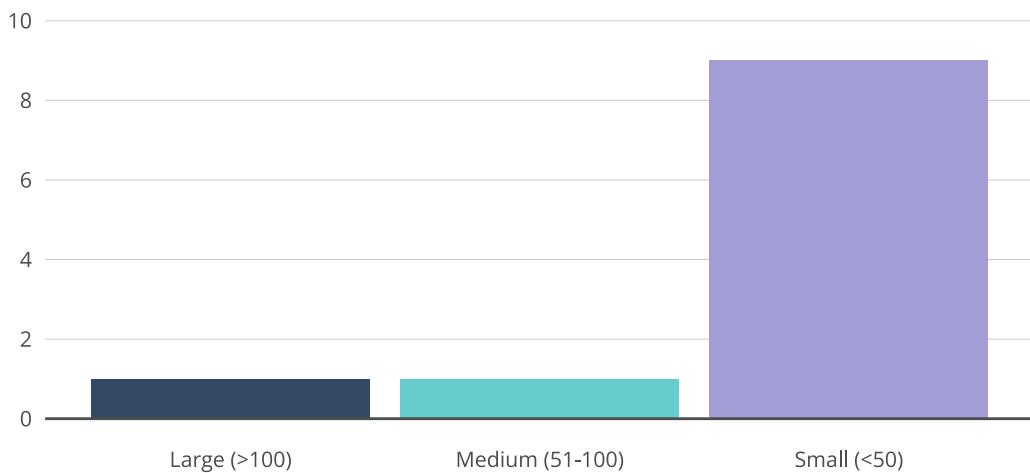


Source: U.S. Department of Homeland Security. Homeland Infrastructure Foundation-Level Data (HIFLD).

Figure 5.14: Map of manufactured home communities in Lynchburg

Manufactured home communities by size in Lynchburg

Number of homes in each community by county



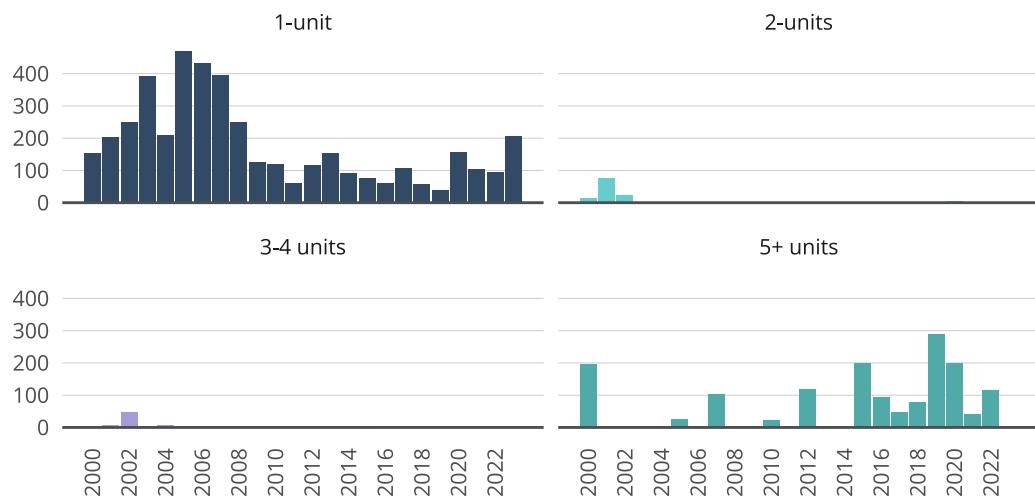
Source: U.S. Department of Homeland Security, Homeland Infrastructure Foundation-Level Data (HIFLD).

Figure 5.15: Manufactured home communities by size in Lynchburg

Residential building permits display the dominance of single-family construction within the city for much of the past two decades. Recovery from the Great Recession has still yet to come to the city, but the construction of five or more unit buildings in the city has continued to surpass all other types in recent years. Although the city saw the construction of duplexes and triplexes early on in the 2000s, there have been little to no construction of this type of housing in the city.

Residential building permits by unit type in Lynchburg

From 2000 through April 2023



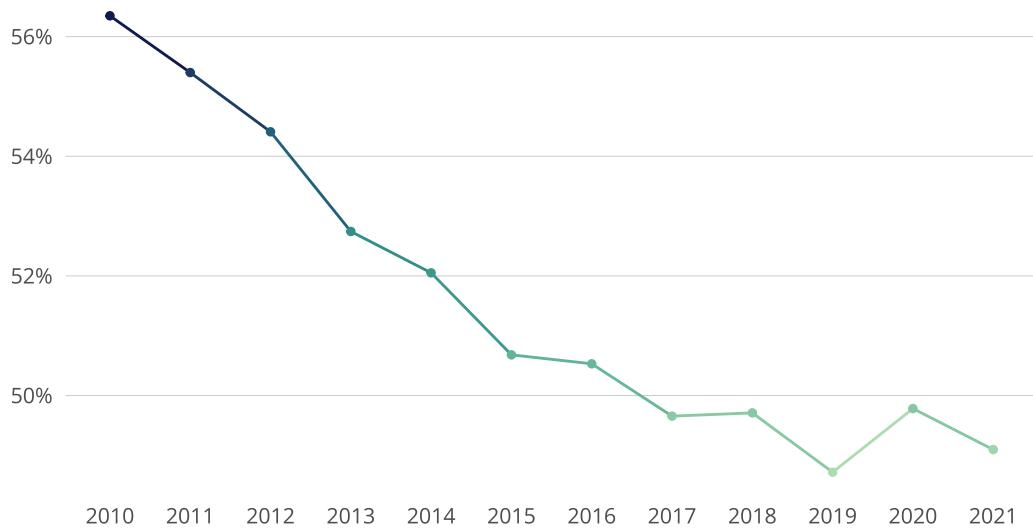
Source: U.S. Census Bureau, Building Permits Survey.

Figure 5.16: Residential building permits by unit type in Lynchburg

5.6 Homeownership market

As the number of renters has been increasing in the city, the homeownership rate has continued to drop. From 56 percent in 2010 to 49 percent in 2021, the city is now majority-renter.

Homeownership rate in Lynchburg

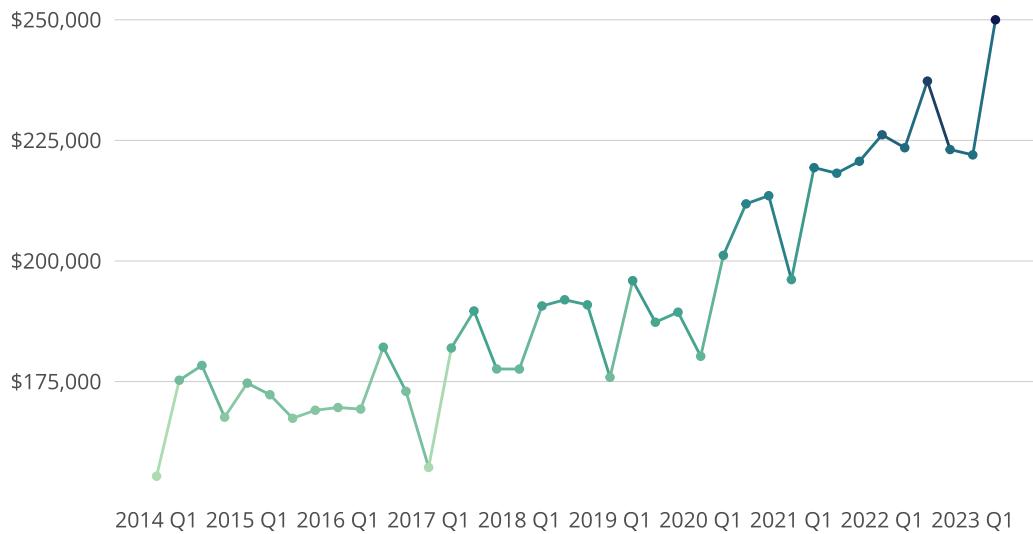


Source: U.S. Census Bureau, ACS 5-Year Estimates, Table B25003.

Figure 5.17: Homeownership rate in Lynchburg

As the homeownership rate has declined, home prices have been on the rise. The pandemic had a profound impact on the homeownership market in the city. The median home price increased by 14 percent from Q2 2019 to Q2 2022 and by Q2 2023, the price had reached \$250,000, an overall 32 percent increase from the last quarter of 2019. Although the city was seeing general increases in prices, the pandemic accelerated price increases in a shorter period of time than previously seen.

Median home sales price in Lynchburg

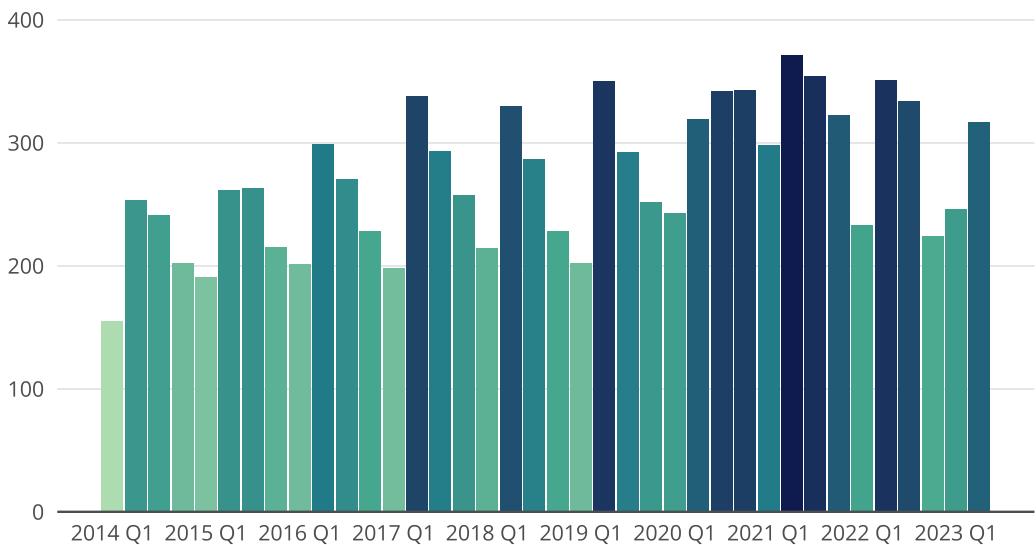


Source: Virginia REALTORS, adjusted to Q2 2023 dollars.

Figure 5.18: Median home sales price in Lynchburg

Closed home sales increased slightly during the pandemic reaching a high of 191 homes sold in the June 2021. Despite the high demand produced by record low interest rates, the number of homes for sale in the city did not increase significantly.

Closed home sales in Lynchburg

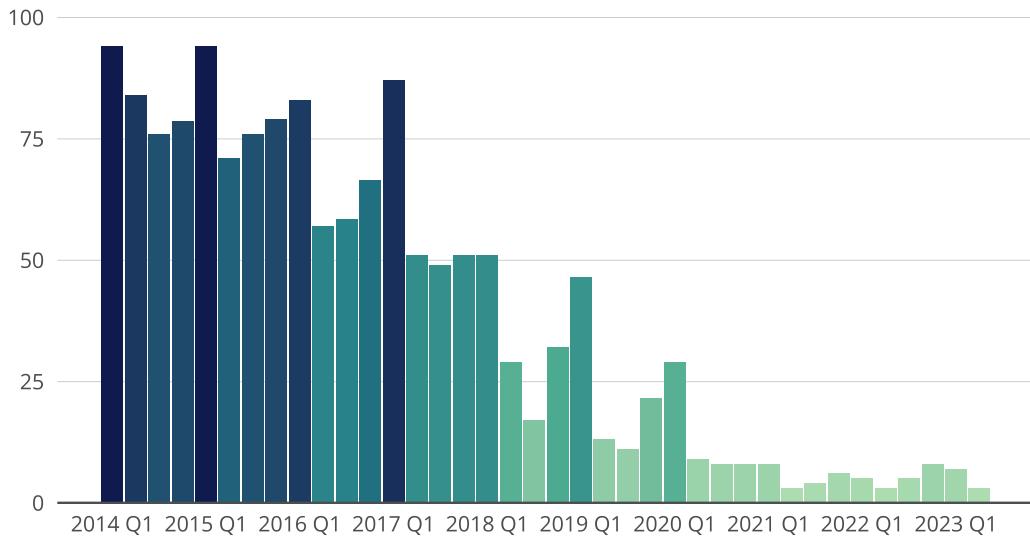


Source: Virginia REALTORS.

Figure 5.19: Closed home sales in Lynchburg

The demand in the city is exemplified by the average days on market, which was already trending downward ahead of the pandemic. But ever since the start of the pandemic, the average days on market has generally not exceeded more than 30 days.

Median days on market in Lynchburg



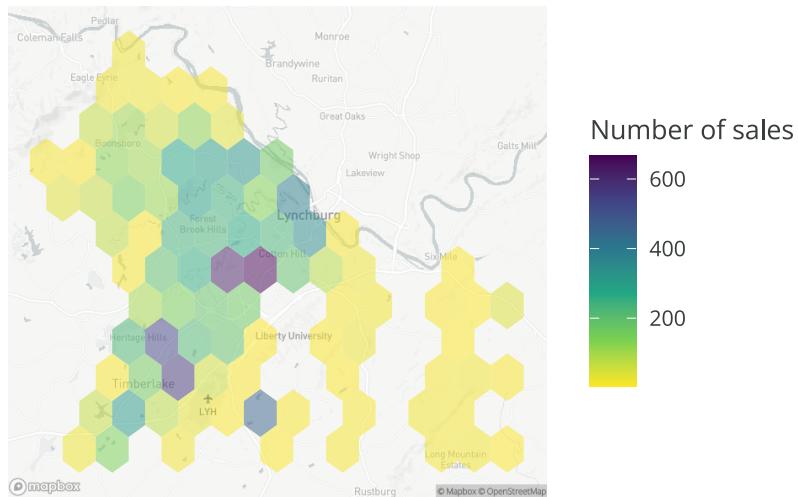
Source: Virginia REALTORS.

Figure 5.20: Median days on market in Lynchburg

From 2016 through 2022, homes sales in the city have been concentrated in the Perrymont and Fort Hill neighborhoods. There have also been a large number of home sales at the southern edge of the city along Timberlake Road.

Map of home sales in Lynchburg

2016 through 2022



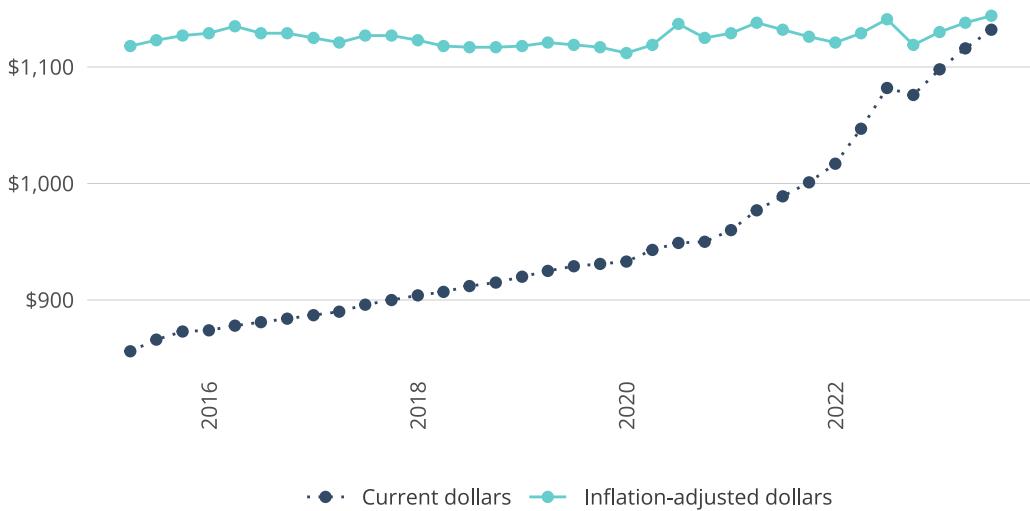
Source: Lynchburg Association of REALTORS®.

Figure 5.21: Map of home sales in Lynchburg from 2016 through 2022

5.7 Rental market

Like the counties, rents in the city have been relatively flat from 2015 to 2020. From 2020 onward, there were bumps in the market asking rent that led to a high of \$1,106 in the second quarter of 2022. But average market asking rent has been in decline since then and sat at \$1,046 by the end of 2022, the lowest average rent over the course of seven years.

Quarterly average market asking rent in Lynchburg



Source: CoStar Group Inc.

Figure 5.22: Quarterly average market asking rent in Lynchburg

Rental vacancy rates in the city hit a high during the early parts of the pandemic. This could have been the result of the student population leaving due to pandemic protections and other workers now being able to work from elsewhere. However, vacancy rates reached a low in the latter half of 2021 and then began to climb back up in 2022 onward. More recently, rental vacancy has sat around a more balanced 6 percent.

Rental vacancy rate by quarter

All multifamily properties in Lynchburg



Source: CoStar Group, Inc.

Figure 5.23: Rental vacancy in Lynchburg

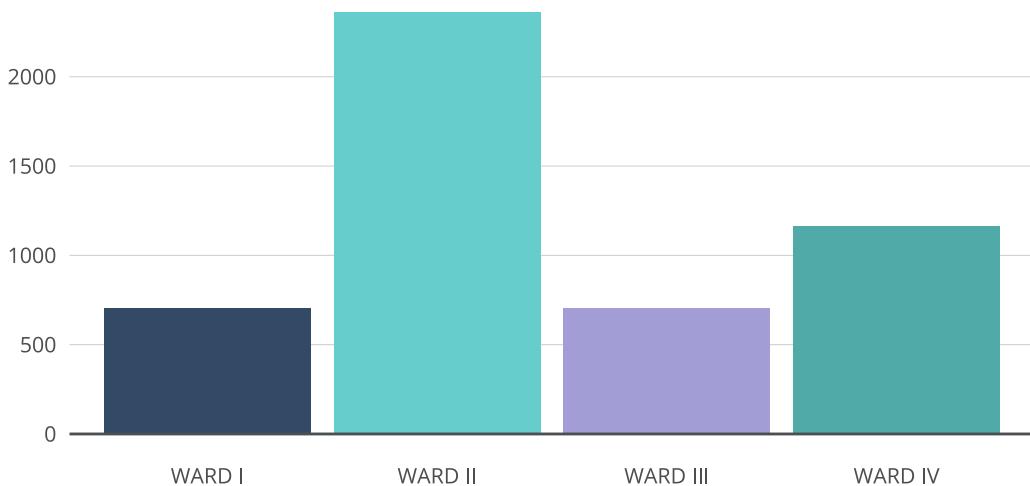
5.7.1 Single-Family Rentals

It is important to note that CoStar data excludes a significant amount of single-family detached rentals, which has been growing in demand across the nation. In the city, there are an estimated 4,922 single-family homes that are being used as rentals. A majority of the detached SFR is located in Ward II, where the College Hill and Diamond Hill neighborhoods are located.

Rental prices for these are not easily discerned, as this type of housing is sometimes marketed on non-traditional channels, like Facebook groups or simply with a yard sign.

Single-family detached rentals by ward in Lynchburg

Estimated via property ownership records



Source: City of Lynchburg parcel data.

Figure 5.24: Single-family detached rentals by ward in Lynchburg

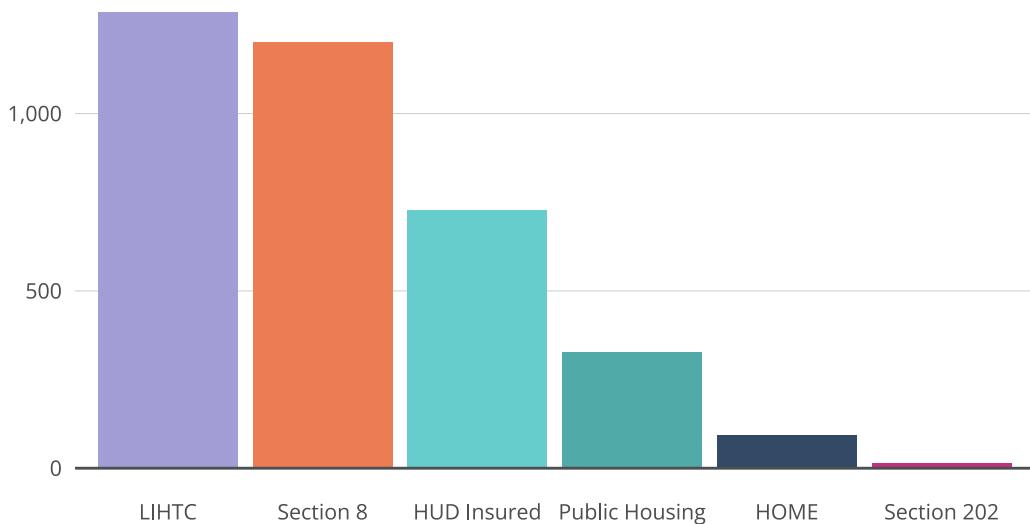
5.7.2 Assisted Rentals

As of early 2023, there were a total of 3,651 assisted rental units in the city. While assisted units can be supported by multiple types of federal subsidy, the bulk of these units (35 percent) are supported by the Low-Income Housing Tax Credit (LIHTC) program. They are followed by project-based Section 8 at 1,201 units.

Public housing in Lynchburg

The Lynchburg Redevelopment & Housing Authority (LRHA) owns and operates 328 units of public housing within the city. The majority of these units were built in the middle of the 20th century and, like any residential development built during this time, face deterioration and significant need for revitalization and rehab. At the end of 2022, city council designated the Dearington Hills Apartments as a revitalization area. This is part of a long term plan to initiate the redevelopment of the property, increasing the total number of units to 242 (from 100).

Federally-assisted rental homes in Lynchburg by subsidy



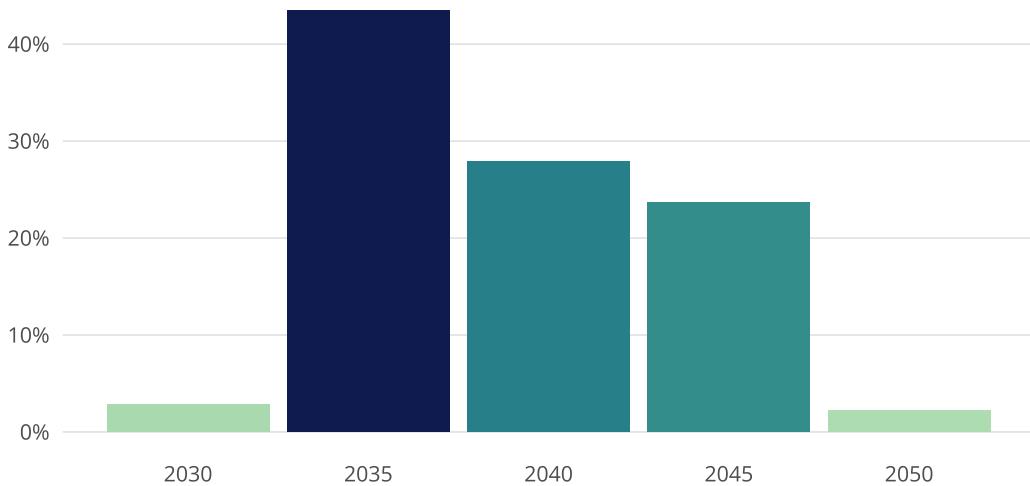
Source: National Housing Preservation Database (NHPD).

Figure 5.25: Federally-assisted rental homes in Lynchburg by subsidy

As a major portion of Lynchburg's affordable housing stock, LIHTC is potentially at-risk due to expiring affordability commitments. By 2035, over 40 percent of active LIHTC units are set to exit their affordability commitment period. These properties would need to obtain an additional allocation of tax credits to maintain affordability. While nonprofit owner/operators will seek to maintain affordability, for-profit owners are more likely to convert their properties to market rate.

LIHTC units by affordability commitment expiration date

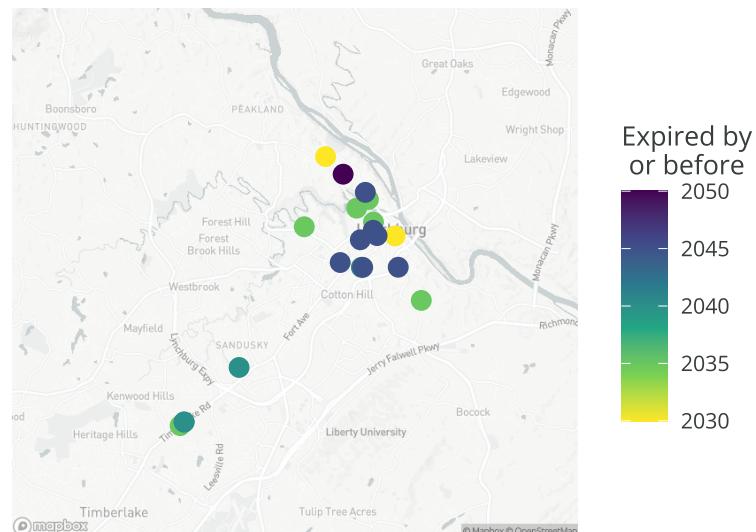
Percent of total expired by or before year



Source: National Housing Preservation Database (NHPD).

Figure 5.26: LIHTC units by affordability commitment expiration in Lynchburg

commitment expiration

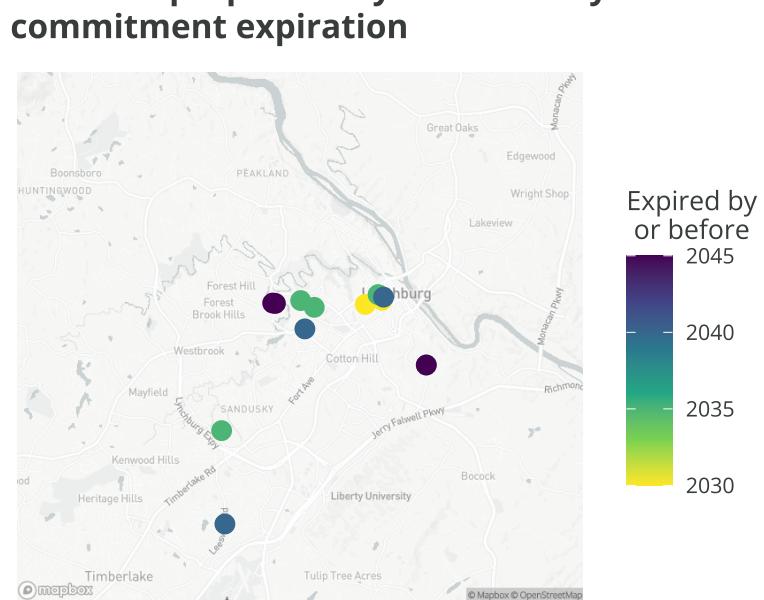


Source: National Housing Preservation Database.

Figure 5.27: LIHTC properties by affordability commitment expiration

Section 8 properties are those that utilize project-based rental assistance. This is different from Housing Choice Vouchers, which are tenant-based and allow a recipient to choose a rental in the private market. With project-based Section 8, HUD contracts directly with private owners of multifamily housing to make units affordable. The rental assistance is tied directly to a property and cannot be transferred.

Section 8 project-based makes up a significant portion of affordable rental units in the city and also face expiring affordability periods. By 2035, roughly 47 percent of existing Section 8 project-based will exit their affordability period.

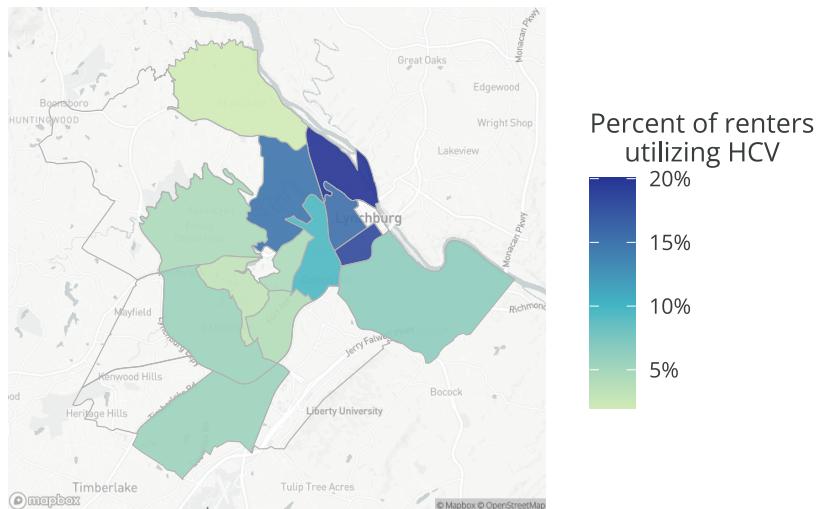


Source: National Housing Preservation Database.

Figure 5.28: Section 8 properties by affordability commitment expiration

Housing Choice Vouchers (HCVs) are utilized throughout most of the city. But most Housing Choice Vouchers are being used in the central parts of the city, where there are denser housing options. Areas of Rivermont and Daniels Hill, as well as Diamond Hill, seeing the highest utilization of HCVs among renters.

by tract



Source: U.S. Department of Housing and Urban Development.

Note: Tracts with no renters using HCVs are transparent.

Figure 5.29: Housing Choice Voucher utilization in Lynchburg by tract

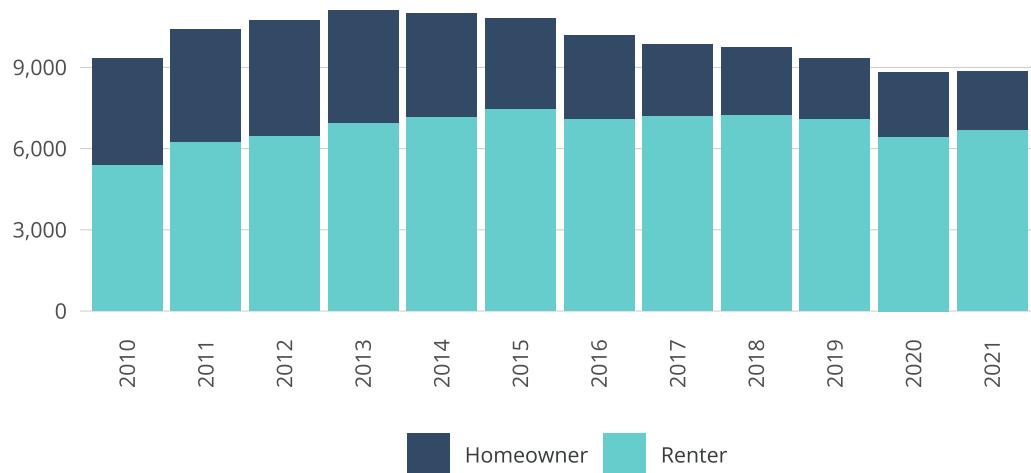
5.8 Affordability

In 2021, there was a total of 8,875 cost-burdened households in the city, 75 percent of which were renters. Even though the overall total of cost-burdened households in the city has declined by five percent, that decline has been mainly among homeowner households.

The number of cost-burdened renter households has increased in the last decade from 5,380 to 6,663, a 24 percent increase.

Cost-burdened households by tenure in Lynchburg

Number of cost-burdened **homeowners** and **renters** from 2010 to 2021



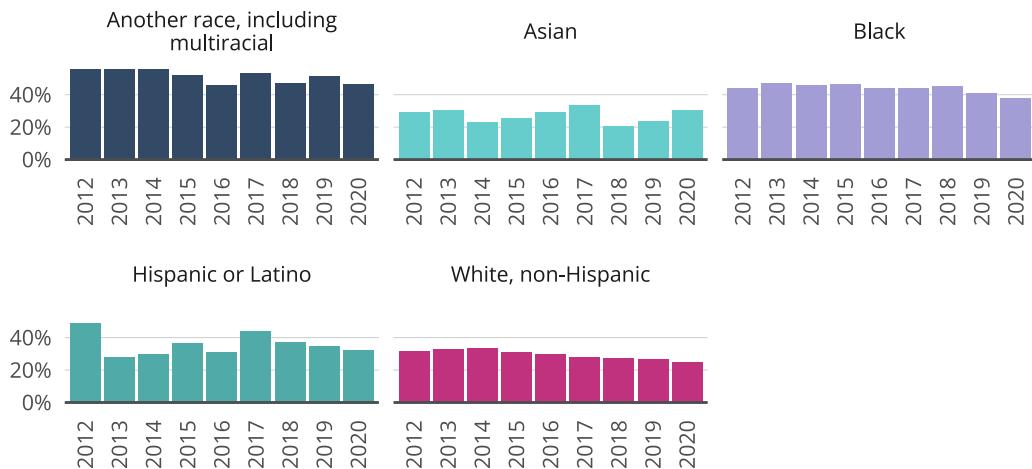
Source: U.S. Census Bureau, ACS 5-Year Estimates, Table B25106.

Figure 5.30: Cost-burdened households by tenure in Lynchburg

Cost burden by race within the city has followed similar trends at the regional level. Cost burden among Black households has remained relatively unchanged over the last decade, but has more recently seen slight declines. Asian, Hispanic, and other racial categories have seen fluctuating cost burden levels, but again, these estimates should be viewed with caution due to low sample sizes. However, white households in the city have consistently seen declining cost burden since 2014.

Cost burden by race and ethnicity in Lynchburg

Percent of cost-burdened households from 2012 to 2020



Source: U.S. Department of Housing and Urban Development, Comprehensive Housing Affordability Strategy (CHAS), Table 9.

Figure 5.31: Cost burden by race and ethnicity in Lynchburg

Based on the latest data from CHAS, there was a gap of 3,855 units for households making less than 80 percent AMI. The bulk of the gap was among deeply affordable units (i.e. units affordable to households making 30 percent AMI or less). For these extremely low-income households, there were at least 2,545 units needed.

This was only a decrease of 35 from 2012, when the gap was estimated to be 3,890 units. This small amount of change over nearly a decade suggests that despite efforts to address affordability, affordability challenges persist that negate any gains affordable units. There is a clear need to ramp up assistance to renters in order to see substantive change in cost burden.

Rental housing gap by AMI in Lynchburg



Source: U.S. Department of Housing and Urban Development, Comprehensive Housing Affordability Strategy, Table 18B

Figure 5.32: Rental housing gap by AMI in Lynchburg

Part III

PART 3: Policy evaluation

6 Policy evaluation

This report section housing-related policies and programs currently operating within the Central Virginia Planning District. These include efforts to expand housing supply through land use reform, improve the quality and condition of existing homes, deliver federally-funded housing assistance, prevent homelessness, and other activities.

Overall, communities across the region have become increasingly aware of their growing spectrum of housing needs—especially since the onset of COVID-19 and its economic ripple effects. Today, local governments, agencies, and nonprofits alike all play important roles in the design and implementation of housing policies.

We assigned a preliminary rating to each effort based on its current ability to address its associated challenges. We recommend policymakers to either **Continue**, **Reevaluate**, or **Stop** each action based on this evaluation. To avoid significant repetition, concurrent (but perhaps differing) approaches by multiple localities to address a single issue are consolidated and evaluated as a group.

6.1 Key highlights

Most of the policies and programs reviewed demonstrated at least some capacity to improve housing opportunities and did not show any significant flaws. We therefore recommended to continue (and expand) these.

Examples of well-designed but underpowered initiatives include a pilot program to remediate blight and ongoing eviction diversion activities. Additional research and policy design will be required to recommend specific solutions for increasing their impact.

On the other hand, we also identified a range of inefficiencies, competing priorities, and missed opportunities for some efforts that led us to suggest reevaluating their designs. Examples of initiatives with room for improvement include building code enforcement and the regulation of short-term rentals across the region. These may become the focus of targeted policy recommendations later in the complete report.

Importantly, none of the efforts we assessed were found to be counterproductive enough to recommend termination. This demonstrates an effective foundation of housing policy and program execution throughout the region that will set up future solutions for success.

6.2 How policies are evaluated

Methods: Major themes identified through focus groups and meetings with local government were the guide posts in beginning the second stage of policy review. Programs and policies related to these themes, as well as major housing issues, were collected and evaluated by investigating comprehensive plans, annual budget reports, locality announcements, and other official reports from the area.

Categories: We identified six distinct policy categories connected to housing through this evaluation:

- Land use and zoning
- Housing and community revitalization
- Housing assistance programs
- Homelessness prevention
- Infrastructure investments and planning
- Miscellaneous

Rating: After outlining successes, challenges, and other relevant factors for each topic, policies and programs are assigned one of these ratings:

- **Continue:** This effort should continue as designed without significant changes, and should scale up to further address needs when opportunities arise.
- **Reevaluate:** This effort may not be working as intended, and should be reexamined for potential changes.
- **Stop:** This effort has clear drawbacks and should be ended to no longer be counterproductive to the region's housing goals.

6.3 Land use and zoning

This section focused on the relationship between local land use planning/administration and residential development.

6.3.1 Single-family infill incentives in Lynchburg

Issue: Demand for new homeownership opportunities in the city continues to increase, especially at more affordable prices. However, land and construction costs have also risen, which makes it difficult to build new single-family homes at relatively affordable prices. There is also less easily-developed land within the city limits compared to surrounding counties.

Status: The City of Lynchburg has created infrastructure incentives and revised its zoning code to help promote the development of new infill homes. These efforts include covering most water/sewer extensions and cost-sharing curb, gutter, and sidewalk installations. The city has also revised its subdivision regulations to reduce setbacks, lot sizes, and allow cluster-style development.

Successes:

- From 2017 to 2022, over 600 new single-family homes and over 200 new townhomes were built in the city.
- As of October 2022, the city had more than 250 new single-family and townhomes under review.
- Developers are finding ways to build small homes (under 1,000 sqft) on infill lots with topography issues that otherwise prevent larger homes.

Challenges:

- Limited coverage of water and sewer service continue to add extra costs and delays. Some lots that meet all zoning requirements are still unbuildable due to steep slopes and drainage problems. Transportation and accessibility infrastructure (roads, sidewalks, etc.) remain a limiting factor.

Other factors:

- The city will soon begin its comprehensive plan update. This process is an opportunity to proactively align future infrastructure and residential development.
- The success of single-family infill development is still dependent on certain exogenous factors, especially material/labor costs and mortgage interest rates.

Rating: Continue

The city should maintain its current regulatory approach to promote new attainable homeownership opportunities, and use the upcoming comprehensive plan update to leverage infrastructure development opportunities to support its infill goals

6.3.2 Residential zoning requirements in counties

Issue: Every county in the region is experiencing demand for new housing, including denser for-sale options and multifamily apartments. Counties will generally require most larger-scale development proposals to go through an entitlement process, such as a rezoning or subdivision plan, outlined in the zoning ordinance. These regulations influence the type, amount, and costs of new residential developments.

Status: Every county in the region has an active zoning ordinance. Overall, each county across the region has seen, or has under review, notable amounts of new homes. These include both single-family, townhome, and multifamily units.

Successes:

- Developers have been able to build townhomes and other smaller homes to meet buyer demand. All homebuilding activity is not concentrated among high-end homes.
- For the most part, counties are able to direct denser development to designated growth areas through proactive land use planning and service boundaries.
- Limited requirements for curb, gutter, and other similar development components (compared to the City of Lynchburg) reduce upfront costs.

Challenges:

- New demand continues to outpace added supply. Some areas are concerned about an increase in new manufactured home placements on agricultural lots, which is allowed by-right. Those homes remain an attainable source of affordable homeownership.
- Development that is not by-right will often introduce citizen opposition during required public meetings. This NIMBYism can be successful in minimizing or outright ending some proposals. Other factors: Homebuilders and other practitioners explained how elements outside of local control (interest rates, supply issues, etc.) can be just as burdensome as land use regulations.

Rating: Reevaluate

Counties have the opportunity to reexamine their zoning codes to not just build on current successes, but also consider significant changes to better meet post-COVID housing demand.

6.3.3 Accessory dwelling unit (ADU) regulations

Issue: ADUs are smaller homes found on the same property as a larger, primary dwelling. These units can be fully standalone, above a detached garage, or within a home's existing envelope (e.g., a basement). ADUs can serve relatives, caregivers, and regular tenants, and can provide a lower maintenance, lower cost housing option.

Status: Jurisdictions have the authority to regulate the location, size, type, and other characteristics of ADUs in their zoning ordinance. These policies vary across the region. For example, the towns of Appomattox and Altavista have broad flexibility for property owners to build ADUs, and Lynchburg allows them by-right for all residential zones (with certain requirements).

On the other hand, ADUs are a special use in Campbell County, and are required to be attached to the main dwelling (not standalone), and occupied only by persons related to the homeowner.

Successes:

- Localities are generally tolerant of ADUs in their zoning code and do not impose stringent restrictions in most circumstances.
- Successful permitting of ADUs of different types and in different communities demonstrates viable development opportunities.

Challenges:

- Localities that do have permissible regulations have still not seen significant amounts of ADU permit applications.
- Many homeowners are likely unaware of their potential to create ADUs, and would not know where to start.
- Complete and updated counts of ADUs by locality are not regularly reported by planning departments.

Other factors:

- HB 2100 was introduced in the 2023 General Assembly session and would have required localities to permit ADUs in all single-family zones, with certain requirements. The bill failed in committee but ADUs will likely be addressed by lawmakers in the near future.

Rating: Reevaluate

If localities want to promote additional ADU supply, they can explore aligning ordinances with state and national best practices, and creating resources to proactively help homeowners with ADU development.

6.4 Housing and community revitalization

The following policies and programs are connected through their focus on addressing blight and vacancy in the region. They represent a mixture of inspection and enforcement measures alongside redevelopment initiatives.

6.4.1 Building code enforcement and rental inspection programs

Issue: Inspections are needed in order to identify homes in need of repair, preserve the existing affordable housing stock, and protect existing occupants. This is particularly true in areas with an aging inventory and naturally occurring affordable housing (NOAH) that is limited and typically of a lower quality.

Status: The City of Lynchburg has engaged in a variety of initiatives designed to improve the quality of the housing stock while still ensuring attainability and affordability, notably including the Rental Inspection Program, which includes a process for tenants to report quality complaints landlords are not addressing. This has been in effect since 1993, when the city first adopted minimum building maintenance and residential rental dwelling standards for properties within the city limits.

The Town of Bedford uses the Redevelopment and Housing Authority as the resource to abate problems related to code enforcement, blight, or development issues, but other counties in the region either do not have explicit inspection programs or recommend future strategies towards enforcing codes as a part of their comprehensive plans.

Throughout smaller towns in the region, officials noted long-standing issues with code enforcement on properties owned by absentee or negligent owners. However, modest budgets prevent these jurisdictions from hiring staff to enforce the law.

Successes:

- According to HOME's 2020 Analysis of Impediments to Fair Housing report, the Lynchburg rental inspection program completed 1,500 rental inspections as of 2018 with hundreds of units brought up to code.
- The Town of Bedford's Redevelopment and Housing Authority is working to rebuild and improve properties in disrepair by leveraging CDBG grants.

Challenges:

- There remain renters that are falling through the cracks of the Lynchburg program, living in unsafe conditions and unable to find or afford alternatives.
- Current needs exceed staff capacity in many of the smaller towns in the counties.
- Rural blight is less visible and is especially shaped by circumstances including population scarcity, limited physical and economic access to resources, and local government capacity to track and enforce. Many condemned homes in the area are inhabited, and code enforcement could relocate these residents into homelessness.

Other factors:

- Most of the region's housing is surpassing 20 years in age. A construction boom in the late 20th century (from 1960 to 1999) contributed to much of the region's homeownership and rental housing stock.

- Complicated relationships between town and county code administration can add additional challenges for residents and developers interested in rehabilitating properties.

Rating: Reevaluate

While most counties include a recommendation or strategy aimed towards addressing aging inventory through code inspection, very little exists in the way of concrete code enforcement plans beyond the Lynchburg rental program. Furthermore, while the Lynchburg rental inspection program has been largely successful, there are opportunities for improvement and outreach with legal aid or other programs working to support low-income renters in the city. Likewise, smaller jurisdictions can explore creative options for increasing their administrative capacity to address property conditions.

6.4.2 Tax foreclosures and blight remediation

Issue: Local governments can enforce the payment of delinquent taxes or, where the initial enforcement process fails, force the transfer of property ownership through tax foreclosure as a way to deal with persistent blight. The ideal tax foreclosure system efficiently and equitably collects tax revenue needed to pay for government services while promoting community stabilization and property maintenance.

Status: Lynchburg and Campbell County both reported that their administrations are actively addressing blighted and delinquent properties. In Lynchburg, staff began a pilot vacant/derelict program to improve or demolish problem properties. Of the more than 400 vacant properties tracked by the city, just over 300 have been designated as blight. In Campbell County, conducting tax foreclosures on delinquent properties was described as one of the primary duties currently undertaken by the county attorney.

Successes:

- As of October 2022, the 17 properties in Lynchburg's pilot derelict program were already slated to be rehabilitated and resold (10), demolished by the city (4), or demolished by the owner (3).

Challenges:

- Many foreclosure proceedings are drawn-out and confusing. Further complications can come from the problem of reaching absentee landowners who sometimes live out of state. Though the law provides mechanisms to hold these owners accountable, the procedures are often tedious and span years.
- Collecting accurate counts and relevant data about delinquent and blighted properties can be difficult and time-consuming. As a result, the full scale and scope of these problems is not always easy to ascertain.

Other factors:

- Virginia state code is very prescriptive on local governments' abilities to foreclose on privately-owned properties, even when they are significantly tax delinquent or in very poor condition.

Rating: Continue

Lynchburg and Campbell County are proactively tackling their housing quality and vacancy problems, although the challenge is much larger than what current efforts are able to address. If these—and other—localities want to expand their capacity to reclaim properties, possible places to begin include better data collection schemes and collaborations with nonprofit and private developers.

6.4.3 Main street redevelopment programs

Issue: Main street redevelopment of small historic towns has been identified as an important investment to stimulate economic growth, promote cultural preservation, improve quality of life and attract new residents, and promote sustainable development practices to preserve the predominantly rural nature of the region. These efforts can help create and retain more diverse housing opportunities in the heart of small towns.

Status: Lynchburg and Altavista have successfully utilized funding through the Virginia Main Street Program (VMS) to bring new energy and development into historic downtown areas. The Towns of Bedford and Brookneal are exploring the main street approach for downtown commercial or neighborhood revitalization.

Successes:

- The Town of Altavista received a 2023 Financial Feasibility Grant (FFG) award to determine the highest and best use of the community's historic Vista Theatre.
- Bedford and Brookneal are able to access organizational development services and grant opportunities through the VMS program to prepare them for future grant investments. Bedford is now zoned for upper-level living thanks to help from this program.

Challenges:

- Some main street programs, including VMS, are more focused on economic development and do not specifically address housing.
- The amount of housing specifically generated through main street development can be limited by few actual development opportunities and low developer capacity.

Other factors:

- The Virginia Main Street Program is a preservation-based economic and community development program. The program is administered through DHCD and offers a range of services and assistance to communities interested in revitalizing their historic commercial districts; it was specifically designed to address the need for revitalization and on-going management of smaller to mid-sized downtowns

Rating: Continue

The Virginia Main Street Program has been a successful resource for towns across the state and within the region to build capacity. New policies and programs connected to these initiatives should consider how to incorporate housing into historic structures or nearby these centers to maximize the benefits of cluster-style developments.

6.4.4 Acquire, Renovate, Sell (ARS) program

Issue: The Virginia Department of Housing and Community Development (DHCD) administers the “Acquire, Renovate and Sell” program to eligible providers including local governments, nonprofits, housing authorities, and planning district commissions. This program aims to create affordable homeownership opportunities for low-to moderate income, first-time homebuyers while allowing providers discretion over acquisition type, region and resale. Providers acquire existing undervalued homes using their own lines of credit, renovate using ARS funding and other leveraged sources if necessary, and resell the property at fair market value to a first-time homebuyer.

Status: Currently, only the town of Altavista has utilized ARS funding in the region. In 2021, Altavista was awarded grant funding through DHCD with the goal of acquiring properties in need of repair or build homes on vacant lots and turn them into habitable, affordable homes.

Successes:

- Altavista has used the ARS program to develop homes themselves, leveraging philanthropic funds to buy, renovate, and sell homes. Net proceeds from the sales have remained in the town as program income to reinvest in local, affordable housing efforts, like main street revitalization efforts, or to be used to build greater staffing capacity.

Challenges:

- The program is designed for the resale of homes and does not contain a rental component.

- The program is designed to specifically target homes assessed below market value and cannot be used on other types of homes. This may include but is not limited to homes that are foreclosed, abandoned, vacant, distressed, investor-owned and economically-challenged, estate/divorce/tax sales, or have suffered years of deferred maintenance.

Other factors:

- ARS is a partnership between the provider, DHCD, and the Virginia Housing Development Authority (VHDA) as financial backer. VHDA provides down payment assistance should the homebuyer obtain their first mortgage through VHDA (FHA, FNMA, USDA, VA).

Rating: Continue

This has been a successful program in Altavista for recapturing old and vacant properties while generating modest proceeds to pay for local staff and other housing initiatives. This program could be an ideal fit in other parts of the region struggling to address blight and vacancies of single-family homes.

6.5 Housing assistance programs

These programs are administered by local governmental agencies and nonprofits to provide financial subsidy and rental stabilization assistance in the region.

6.5.1 Housing Choice Vouchers

Issue: Tenant-based Housing Choice Vouchers (HCVs) allow very low-income families to choose and lease or purchase safe, decent, and affordable privately-owned rental housing. HCVs are federally funded by the U.S. Department of Housing and Urban Development. In Virginia, HCVs are locally administered by a combination of public housing authorities and other government agencies.

Status: Housing Choice Vouchers are currently utilized by residents of Lynchburg, the Town of Altavista, Amherst County and Appomattox County. The Nelson County Community Development Foundation in Lovingston administers HCVs for Amherst County and Appomattox County.

Successes:

- HCVs have been successful and essential tools in providing suitable housing for low-income residents.

- While most of Lynchburg's assisted housing is located in lower opportunity areas, these areas have better access to public transit that serve important roles for assisted housing tenants.
- LRHA is starting their first phase of a redevelopment project where they hope to increase the total number of HCV units at the Dearington Apartment Complex from 100 to over 242.

Challenges:

- In Lynchburg, landlord resistance to HCVs and transportation are continuing barriers for residents looking for affordable housing options in higher opportunity areas across the city.
- Residents of Appomattox and Amherst counties are in the same voucher pool as residents from Buckingham County, Cumberland County, Nelson County, and Prince Edward County, likely resulting in longer waiting times. Transportation also poses accessibility challenges in the counties, especially for those who live more than thirty minutes away from the voucher office.

Other factors:

- Not all families who receive vouchers are able to find a house or apartment where they can use them. Shortages of moderately priced rental housing, tight market conditions, racial and ethnic discrimination, landlords who are unwilling to accept voucher payments, and ineffective local administration all contribute to this problem across the country.

Rating: Reevaluate

LRHA could expand Section 8 HCV Program to higher opportunity areas and continue ongoing landlord recruitment and education programs. Regionally, new collaborations around voucher administration could be explored to address challenges in the counties.

6.6 Public housing redevelopment

Issue: Decades-long shifts in federal policy and funding priorities have led to the deterioration of many older public housing communities across the nation. Virginia and the Lynchburg region are no exception. Housing authorities must now look to other programs and resources to transform aging units and continue offering them as a much-needed source of deeply affordable rental housing. These options include Project-based Vouchers, and LIHTC, among others.

Status: Most public housing in the region is located in Lynchburg (LRHA) and the Town of Bedford, administered by their respective housing authorities. LRHA owns and operates four public housing locations with a total of 328 units, and currently in Bedford there are seven different housing projects containing 424 individual housing units.

Successes:

- In 2016, \$662,772 (63%) of CDBG funds were allocated to Lynchburg's downtown infrastructure project and rehabilitation of a public housing complex.
- LRHA operates the Affordable Housing Resource Center (AHRC) to serve people with a one stop shop for resources, housing navigation, education, and training opportunities as well as work in City selected neighborhoods on improving housing stock for rental or home-ownership.

Challenges:

- The elderly and persons with disabilities show relatively high representation in voucher-based housing but an underrepresentation in public housing.
- Due to limited resources and hilly topography throughout Lynchburg, handicapped accessible units are limited within LRHA's public housing inventory, although some progress is being made to address this.
- Lengthy wait lists and geographic concentration of public housing are persistent challenges facing public housing.

Rating: Continue / Reevaluate

Public housing authorities should continue to review and assess the public housing units to meet the Section 504 requirements. PHAs can also continue to monitor and explore HUD programs that can be used to reposition public housing communities for revitalization/redevelopment.

6.6.1 Homebuyer readiness programs

Issue: Homebuyer readiness programs can help participants lower their housing costs, save more income, improve their credit, avoid delinquency, address defaults, and avoid foreclosure. Increased funding for homeowner education programs has a direct, positive impact on the number of people able to become successful long-term owners.

Status: The Lynchburg Community Action Group (Lyn-CAG) is currently the region's only certified HUD center offering classes to first time homeowners. Both Lyn-CAG and the Greater Lynchburg Habitat for Humanity (GLHFH) offer down payment assistance to first-time homebuyers through HOME funds.

Successes:

Since 2019, GLFHF and Lyn-CAG have assisted at least four income eligible homebuyers a year to receive down payment assistance towards a home purchase.

Challenges:

- While some non profit developers like Habitat for Humanity also offer home buying counseling and down payment assistance, in general there is a lack of this type of program in the region outside of Lynchburg.
- The shortage of affordable homes available to purchase leaves many homebuyers ready with little to no options.

Other factors:

- In addition to serving first time homebuyers, Lyn-CAG has also received and allocated HOME funds towards substantial rehabilitations for existing homeowners.
- Residents in the region are also able take advantage of DHCD's statewide financial assistance programs, including the Virginia Individual Development Accounts (VIDA) program, which helps qualified individuals save for a down payment on a home, and the Down Payment Assistance (DPA) program, although it's unclear how many use this in practice.

Rating: Continue

As new homes are built in the region, homebuyer readiness programs and financial assistance are vital tools that help first time homebuyers and low-income buyers compete in a crowded market. Assistance should continue and further funding considered to make a larger impact in the region.

6.6.2 Low-cost transportation services

Issue: Affordable housing can become unaffordable if transportation costs are not taken into account. Low-cost transportation is essential for residents to access essential services, stimulate economic development, facilitate social connections, and access education and training opportunities, especially in more geographically dispersed areas.

Status: Lynchburg is working to place housing near mobility hubs, park and ride, and other transit stops, and the GLTC operates 14 bus routes within the City of Lynchburg and a portion of Madison Heights every day of the week. The Central Virginia Alliance for Community Living offers the Dial-A-Ride service to provide individuals aged 60 and over with transportation across the counties.

Successes:

- The Bedford County Otter Bus service provides free handicap accessible transportation for residents living in the Town of Bedford. Buses run from apartment complexes directly to grocery stores, government offices, and health resources. Bedford County also provides the Bedford Ride service, which operates similarly to Dial-A-Ride.

Challenges:

- Dial-A-Ride is not free, has limited hours, and is first-come-first served, making it difficult for regular transportation needs.
- Transportation access will continue to be a challenge if new housing remains spread out across the counties.

Other factors:

Transportation accessibility and flexibility directly impact the costs and options of child-care for low-income families.

Rating: Continue / Reevaluate

The region should continue to explore low-cost or subsidized transportation options where feasible and consider how new housing and services can be clustered in the region.

6.7 Homelessness prevention

Housing policies are incomplete without a connection to the problem of homelessness. The following programs address efforts to prevent homelessness as well as respond to the emergency needs of unhoused people in the region.

6.7.1 Eviction diversion

Issue: Eviction diversion programs are an effective tool in preventing homelessness by providing a safety net for tenants who may otherwise fall through the cracks of the housing system. By keeping people in their homes, these programs not only prevent homelessness but also promote housing stability, financial security, and overall well-being.

Status: A number of nonprofit organizations and congregations in the region offer rental assistance and legal aid to assist in eviction diversion efforts. The Central Virginia Continuum of Care (CVCoC) has Coordinated Homeless Intake and Access (CHIA) counselors that assist at-risk families across the region with landlord mediation and referrals to the CoC diversion program.

Successes:

- In 2019, 94% of the 103 people that passed through the CVCoC's eviction diversion program remained housed and avoided the trauma of homelessness.
- Lynchburg Community Action Group (Lyn-CAG) also administered an emergency rental assistance program from July 1, 2020, through June 30, 2022, assisting 231 households comprised of 286 persons.

Challenges:

- Evictions have continued to rise across the state while funding and resources have failed to keep pace.
- Rural regions with more dispersed populations often struggle to account for the often significant number of informal evictions in their data.

Other factors:

- DHCD's Virginia Eviction Reduction Pilot is continuing its third year of funding to nonprofits across the state engaged in the work of eviction diversion.

Rating: Continue

Coordinated care and funding to prevent eviction in the region should continue to be prioritized as a way to avoid long-lasting impacts on families and to prevent the public costs of eviction (including emergency healthcare, shelter, etc.). Efforts to improve tracking of informal evictions is recommended.

6.7.2 Coordinated services

Issue: Coordinated entry processes help communities prioritize assistance based on the type, vulnerability, and severity of service needs to ensure that people who need assistance the most can receive it in a timely manner. Having multiple organizations and contact points in this process ensures that people can reach assistance in a variety of ways.

Status: The CVCoC has four major access points for those seeking assistance in the region. LRHA and Lyn-CAG are responsible for the Coordinated Homeless Intake and Access (CHIA) services while the YMCA of Central Virginia offers a 24/7 domestic violence hotline and Miriam's House is responsible for Homeless Outreach & Mobile Engagement (HOME) services.

Successes:

- In 2022 alone, 462 persons, including 140 homeless children, were reconnected with the safety and security of a home through the work of Miriam's House, which has continued to increase capacity since 2012.

- In 2019, the CoC reported 97% of the 300 people who passed through rapid rehousing found permanent supportive housing. CVCoC providers follow a "Housing First" approach to minimize the time households experience homelessness by lowering barriers to project entry, decreasing involuntary discharge and not predicating services on housing readiness.

Challenges:

- Emergency shelter capacity is under 200 beds for the entire region, with only 20 located outside of Lynchburg. Getting referred to and finding transportation to these beds can be a challenge for vulnerable populations living outside of the city and little to no options exist through the CoC elsewhere.

Rating: Continue

Low recidivism rates are evidence of the success of the housing-first model. The CVCoC should continue to tackle the issue of homelessness, potentially adding new shelters or transit opportunities in areas of the region that are farther away from existing resources.

6.8 Infrastructure investments and planning

Infrastructure investments are related to the livability and accessibility of housing, making them crucial aspects of current and future planning. The following policies address critical utilities necessary to sustainable development in the region.

6.8.1 Water and sewer expansion

Issue: Water and sewer infrastructure play a critical role in determining the amount and location of new housing development in a community. Without adequate infrastructure, housing development can be limited, and delays and disruptions accessing these services can make it difficult to secure financing for new construction.

Status: The Lynchburg City Council is considering increasing water, storm water and sewer rates in the newest proposed budget to pay for infrastructure investment, increasing regulatory requirements, and rising costs. The Bedford Water Regional Authority is looking to expand a number of its current services, including a rapidly growing area near Smith Mountain Lake.

Successes:

- In 2021, the Bedford Water Regional Authority added 241 new water connections and 134 new sewer connections for residents in the county .
- The Town of Amherst is working to upgrade their water treatment plant at no cost to the taxpayer through a combination of grants, loans, and city reserves, and should be complete in 2023.

Challenges:

- Initial fees for water, wastewater, and other basic infrastructure can be a significant hard cost for affordable housing developers. These expenses are rolled into the project's financing, increasing the level of debt service needed, and adding to the eventual rent or sales price amounts.
- Distance and logistics, costs, and regulatory requirements are some of the primary barriers to water and sewer expansion in the rural areas of Appomattox, Amherst, and Bedford counties.
- Having residents share the cost of new infrastructure can add to the overall housing cost burden of the lowest-income populations.

Other factors:

- In 2020, the typical customer in Virginia paid more than \$80 for both water and sewer, or roughly \$25 more than the average for 2010.

Rating: Reevaluate

The region should explore mechanisms to reduce up-front utility costs to pave the way for the creation and preservation of new dedicated affordable housing.

6.8.2 Broadband coverage

Issue: The COVID-19 pandemic has demonstrated that high-speed internet is a vital tool in everyday life. Disparities in broadband access exacerbate existing inequity throughout Virginia, and access to broadband is a major component of where people wish to live.

Status: Coverage is increasing in the region, and efforts are underway to expand access through the numerous statewide broadband funding resources that have become available since 2017, including DHCD's Virginia Telecommunication Initiative (VATI).

Successes:

- In 2022, Bedford County received \$8,523,908.00 and Campbell County received \$6,442,563.00 from VATI to expand service.
- According to the Commonwealth Connection, half the counties and Lynchburg now serve broadband to the majority of their addresses: Amherst (78%), Appomattox (74%), Lynchburg (99%)

Challenges:

- According to Commonwealth Connection, Bedford and Campbell continue to have low access rates, with a little over half of all addresses served.
- There is more money than service providers available to implement expansion plans in parts of the region.

Other factors:

- Across the Commonwealth, more than one-in-three households earning less than \$20,000 do not have internet access, compared to fewer than one-in-twenty households earning \$75,000 or more.

Rating: Continue

Localities should continue to leverage current state broadband initiatives to expand access and affordability of high-speed internet for residents.

6.9 Miscellaneous

Some programs and policies do not neatly fit into previous categories, but are worth mentioning as issues that could uniquely impact the region.

6.9.1 Short-term rental regulations (STRs)

Issue: Property owners are listing their homes on AirBnB, VRBO, and other sites as short-term rentals. Stakeholders shared concerns about these STRs limiting housing supply in certain areas of the region, particularly around Smith Mountain Lake.

Status: Localities have the authority to regulate STRs through the zoning codes. Across the CVPDC region, however, these restrictions are not consistent. For example, Bedford County saw more than 200 new STRs during the pandemic as the result of looser restrictions; however, Campbell County has many more requirements and approves only 10 per year on average.

Successes:

- Some local governments have proactively addressed STRs for several years and are actively monitoring their status.
- Localities with STR regulations have a better sense of the total number, types, and locations of STRs in their community.

Challenges:

- Regulatory inconsistencies across the region may create negative incentives for STR operators to concentrate properties in communities with fewer restrictions.
- The region-wide impact of STRs is difficult to assess due to lack of registration and tracking in some areas. (AirBnB and other listing services do not make their data publicly accessible.)

Other factors:

Several STR-related bills have been introduced in recent General Assembly sessions that may affect the enabling authorities localities have to regulate these properties.

Rating: Reevaluate

There are opportunities to make STR regulations across the region more uniform and more responsive to increasing concerns about the potential negative impacts of STR on housing supply.

6.9.2 Housing collaborations

Issue: There is a wide range of different practitioners and providers responsible for housing efforts in the region. These include local governments, housing agencies, nonprofits, and other community groups. Regular coordination between these entities can be a challenge, but promotes collaborative problem-solving and prioritization of challenges.

Status: Two cross-sector coalitions are active in the region. The Lynchburg Housing Collaborative was created by council in 2012 and is supported by city and LRHA staff. The Bedford Housing Coalition is managed by the Bedford Area Resource Council.

Successes:

- Both existing groups are active and have regular meetings.
- While existing groups are focused primarily on a single locality, representatives from regional organizations and providers participate in both.
- The Lynchburg Housing Collaborative has produced several studies and reports to help inform policymakers about housing needs. It also developed a housing vision and a series of specific recommendations to improve housing outcomes in the city.

Challenges:

- Other localities in the region do not have comparable groups collaborating on housing issues.
- Limited staff/volunteer capacity for these coalitions limits their ability to thoroughly research challenges and develop solutions.

Rating: Continue

New collaborations can be pursued in other localities, as well as at the regional level.

Part IV

PART 4: Policy recommendations

7 Regional solutions

This group of solutions addresses issues common across the CVPDC region. They also require more advanced coordination between the PDC, all localities, and organizations that serve. These solutions, therefore, have the potential to impact the largest number of people in the region and can address shared issues through connected initiatives and campaigns.

7.1 Primary solutions

7.1.1 Create a regional housing education campaign

Issue: *Overcoming the stigma of affordable housing and building political will*

Public support for housing is a critical element for advancing policies that address land use barriers and increase investments in housing affordability. Many participants in local government meetings and focus groups shared specific examples for how misguided opposition has hindered progress in the region. Cross-sector education campaigns have been successful in other places to inform the public, elected officials, important regional institutions, and others about current challenges and potential strategies needed to achieve widespread enthusiasm for better housing across the region.

Solution: *Conduct a regional housing education campaign*

A cross-sector campaign uses strategic partnerships to advance a positive image of housing and demonstrate the importance of housing on the region's current and future success. A variety of methods can be tailored for different audiences and can include media interviews, op-eds and letters to the editor, fact sheets, and community meetings to build a shared housing narrative.

FRAMEWORK

This proposed campaign will use a range of methods to educate the public and other stakeholder groups about the region's housing needs, where and how gaps exist, and ways to overcome those challenges. The campaign can be divided into distinct efforts based on audience type:

- **General public:** Create a “Housing 101” campaign to generate better understanding of the region’s housing market, demographic trends, and policy mechanisms for the creation and preservation of quality, affordable housing. Methods include media interviews, op-eds and letters to the editor, fact sheets, and community meetings.
- **Elected officials:** Local supervisors and councilpersons should receive targeted outreach that helps them understand the scope of housing needs in their communities, what efforts are currently underway, and what solutions their localities have at their disposal to overcome challenges. Efforts should also focus on the nexus between smart housing policy and economic development potential. Methods include direct meetings, data fact sheets, and policy white papers.
- **Institutions:** Outreach to universities, hospitals, and large corporate employers should be conducted to gauge interest in public-private partnerships on affordable housing and financial support for a housing education campaign.
- **Landlords:** Owners and managers of rental properties play a crucial role in expanding housing opportunity. Focus group participants mentioned concerns about the loss of small private landlords. Outreach should be conducted that educates landlords about the importance of accepting Housing Choice Vouchers.
- **Housing builders and developers:** These businesses play an integral role in the creation and provision in the region; as such, there should be proactive outreach to 1) understand this industry’s outlook on the market, 2) learn about any challenges encountered that negatively affect housing affordability, and 3) facilitate productive, solutions-oriented dialogue on ways this sector can advance housing opportunities.

IMPLEMENTATION PLAN

Immediate (0-6 months):

- Explore formation of work group to oversee education campaign at a high level and ensure consistent messaging.
- Gather contact information for primary stakeholders in each of the above categories.
- Choose campaign ambassadors among work group members to lead outreach efforts for each audience type.
- Outline major talking points needed for audience types.

Short-term (6-12 months):

- Develop outreach plan by assigning contacts to designated liaisons with specific pitches and requests.

- Create outreach materials as needed, including: fact sheets, social media posts, “layperson” policy briefs, presentation slides, and other relevant content. Investigate funding opportunities to sustain dedicated outreach efforts and potentially hire marketing consultant(s).
- Plan, organize, and host a regional housing summit to gather all stakeholders. Focus themes on regional cooperation and collaborative solutions.
- Evaluate progress to determine long-term goals of campaign(s); assess, reevaluate, and redesign outreach efforts as necessary to reflect changing housing needs in the region.

Long-term (12-24 months):

- Consider a formal public opinion poll on attitudes toward housing development and affordability. The Campaign for Housing and Civic Engagement (CHACE) conducted a statewide poll in 2017 with the help of William & Mary, and should be used as a reference.

RESPONSIBLE ACTORS AND THEIR ROLES

- CVPDC will kick-off this solution by beginning coordinated discussions with localities, nonprofit, and private sector partners. Other potential duties include oversight of work group and consultant(s).
- HousingForward Virginia may assist CVPDC in the initial stages of campaign development and provide support through its Overcoming NIMBY and Inclusionary Housing initiatives (to be updated by end of 2023).
- Local government staff will help CVPDC and its partners conduct outreach to important stakeholders, including elected officials.

LEGAL, FINANCIAL, AND ORGANIZATIONAL CAPACITY

- There are no legal boundaries preventing these educational efforts.
- Financial requirements are dependent on the scale of outreach actions. Sustained, professional-level marketing and public relations will likely require the use of paid consultants. It will also be important to secure access to electronic platforms and communication tools to disseminate information.
- CVPDC and its member governments may be able to use existing public information officials for assistance.

FUNDING SCOPE REQUIREMENTS

- The scope of funds required is contingent on the level of outreach desired. The lower end of this scale would take the shape of CVPDC staff, local government staff, and nonprofit/private partner staff incorporating these actions into their standard workload on a limited basis. The upper end would include new, dedicated funding to support new staff, contracted professionals, or both to support the work, particularly where capacity is currently stretched thin.

POTENTIAL FUNDING SOURCES

Public sources: Education campaigns for housing might be funded through collective operating dollars pooled by CVPDC and local governments. Funding may also be available via grant opportunities from Virginia Housing. Private sources: Philanthropic and corporate partners may also be interested in funding educational efforts. CVPDC should approach known funders who have an existing interest in housing and community development.

METRICS TO EVALUATE SUCCESS

Campaign Reach:

- Number of people exposed to the campaign across all platforms.
- Number of unique website visitors or landing page visits (if applicable).
- Number of social media impressions and reach, split by platform.

Audience Engagement:

- Number of social media interactions, including likes, shares, comments, and retweets.
- Number of subscriptions or sign-ups for more information or follow-up resources.
- Number of attendees at campaign-related events, webinars, or workshops.

Behavior Change:

- Pre and post-campaign surveys to measure changes in knowledge, attitudes, or behaviors related to housing issues.
- Number of inquiries or applications for housing assistance or other housing programs promoted during the campaign.
- Changes in patterns of housing searches or inquiries, potentially tracked through partnerships with real estate platforms or local housing authorities.

Economic Impact:

- Increases in investment or funding for affordable housing projects.

- Increases in the number of affordable housing units built or planned.
- Changes in housing policy that can be linked to increased awareness or advocacy related to the campaign.

Feedback and Testimonials:

- Qualitative feedback collected through surveys, focus groups, or interviews.
- Stories or testimonials from people who have been positively impacted by the campaign

PROJECTED IMPACT

- Measuring the impact of education campaigns is not as simple as quantifying housing production or service delivery. Broad public support for housing is a necessary prerequisite for advancing policy solutions—and can only be achieved with higher levels of knowledge and saliency about the issue. If successful, such efforts will allow local policymakers, developers, and providers to more quickly, efficiently, and effectively expand housing opportunities.

i Richmond Regional Housing Framework

Approach:

The Richmond Regional Housing Framework is a comprehensive strategy developed by the Partnership for Housing Affordability (PHA) with the aim to increase housing opportunity and affordability across the Richmond region in Virginia. It is designed to guide policy and investment decisions over the next 15 years, to enhance regional cooperation and public engagement, and provide more affordable housing options for all residents.

Outcomes:

In 2019, community engagement efforts, including survey responses, reached over **1,900 people** in the region. Priority housing challenges and common values were identified, and solutions are in progress (with some already completed). The framework's solution will serve as a roadmap to guide the region's housing efforts.

[Richmond Regional Housing Framework](#)

7.1.2 Maintain the PDC's role in regional housing goals

Issue: *Limited staff capacity among smaller counties and towns in the region can delay or prevent those communities from addressing their housing needs.*

Mid-size and smaller local governments in Virginia today face a range of housing challenges with limited abilities to effectively address them. Smaller budgets and fewer staff—particularly subject matter experts—often prevent these communities from generating and implementing successful policies.

Solution: *Establish new pathways for CVPDC to guide and support efforts to increase housing affordability throughout the region.*

Planning district commissions (PDCs) throughout Virginia have started or expanded collaborative efforts on housing affordability over the last several years. Notably, some of the more impressive examples are small-metro or non-metro regions outside of the Urban Crescent, which face many of the same conditions and challenges found in the Lynchburg area.

Expanded coordination and funding among local governments, fostered in large part by these PDCs, has helped accelerate meaningful solutions to address housing needs. CVPDC can lead similar efforts in this region with four successive steps:

1. Coordinate ongoing housing conversations between the public, nonprofit, and private sectors,
2. Use the findings and recommendations in this study to set specific action areas for PDC-led assistance,
3. Seek and obtain sustainable funding sources to support dedicated housing positions within the PDC, and
4. Begin exploring options to establish a regional revolving loan fund for affordable housing.

FRAMEWORK

STEP 1: *Keep the conversations going.*

Establish a regional housing task force made up of local officials, practitioners, and advocates who will continue regular conversations about housing needs and solutions. The PDC should be the preliminary convener and provide logistical support, such as arranging for virtual and in-person meeting venues.

This group should meet at least monthly for the first year following its creation. Meetings should also follow a semi-regular agenda to promote consistency and accountability.

Example of agenda for regional housing task force meeting:

- Partner updates
- Discussion of priority challenges
- Discussion of new/ongoing solutions

- Next steps and task assignments

STEP 2: Find the best use(s) for PDC time and capacity.

CVPDC leadership and staff should identify specific needs, opportunities, and priorities for PDC-led assistance across the region, especially those that cross local boundaries and cannot be easily addressed by existing staff among local governments.

Using this study as a guiding document, the most likely options for PDC-led coordination are the other regional policy solutions:

- Creating a regional housing education campaign, and/or
- Evaluating opportunities for consistency in short-term rental regulations.

Other major opportunities include, but are not limited to, the local partnership solutions also included in this report. CVPDC should propose its priorities to the newly-formed regional task force (described above) to solicit feedback and buy-in from partners.

STEP 3: Expand PDC staff and/or staff capacity to support goals.

Any substantial progress on regional housing solutions will require dedicated staffing from the PDC. This dedicated staff can be through formation of a new standalone position or through capacity and program training of existing PDC staff. Regardless of the staffing approach, this position should be dedicated to housing and community development programs.

CVPDC has three options for funding the housing and community development dedicated position. These are not mutually exclusive.

1. Set aside existing revenue during the next budgeting cycle.
 - PROS: Does not require external funds
 - CONS: Could likely require shrinking other important expense areas
2. Secure new funds from federal, state, and/or local governments. The most likely sources of these dollars include administrative set-aside funds found in housing grant awards.
 - PROS: Does not require moving existing revenue, could be significant amounts
 - CONS: Depends on budget levels and priorities of other public entities, may not be sustainable beyond initial grant terms
3. Secure new funds from private donors. The most likely source would be a local philanthropic foundation (or multiple together) capable of awards large enough to support salary and expenses.

- PROS: Does not require moving existing revenue, could be significant amounts, probably more flexible than public grants
- CONS: Likely requires significant outreach and education, may not be sustainable beyond initial grant terms

STEP 4: *Explore regional revolving loan fund for housing.*

Nearly all new affordable housing projects in the CVPDC region—and elsewhere—face a funding shortfall even after the major sources of revenue (e.g., LIHTC) are secured. This “gap” must be filled with other grants or loans that are often smaller, but just as competitive and difficult to obtain.

In other cases, potential projects are stymied by limited funding for important pre-development activities like site surveys and infrastructure improvements. Flexible funds to support this work can be the catalyst needed to get a much-needed project off the ground.

To overcome these challenges, CVPDC should consider creating and managing a regional revolving loan fund for housing. This fund could be supported primarily by locally-generated dollars, allowing CVPDC to dictate its own terms and best meet community needs.

When ready and able, CVPDC staff can begin exploring this solution by taking the following steps:

1. Holding preliminary and informal conversations with regional leaders and housing practitioners to determine feasibility,
2. Seeking grant opportunities to support additional staff time or consultant help to plan and stand up the fund,
3. Having initial conversations with other PDCs and regional entities who have implemented similar funds, and
4. Evaluating options for stakeholder input during the fund development process (e.g., regional oversight team).

The operational steps required to fully plan and implement this fund are beyond the scope of this solution. However, completing the tasks described above will give CVPDC the best opportunity to successfully develop an important new funding source for affordable housing.

IMPLEMENTATION PLAN

Immediate (0-6 months):

Solicit invitations for a regional housing task force and schedule its first meeting. Hold internal conversations on PDC housing priorities, current staff capacity limits, and initial

task force agenda. Host first regional housing task force meeting and generate specific next steps. Determine preferred approach(es) for funding new PDC housing position and hold initial conversations with potential funders.

Short-term (6-12 months):

Continue to support and lead regular task force meetings. Ensure the task force is focused on specific priorities and attainable objectives. Begin steps on selected regional housing solution(s), e.g. housing education campaign. (Specific tasks depend on each issue.) Take action to secure new funding for dedicated housing staff, e.g. grant applications.

Long-term (12-24 months):

Seek out and appoint leadership among task force members to encourage autonomy and reduce PDC responsibilities (as possible). Pending funds, hire and onboard new housing staff to manage CVPDC's housing activities. Find strategic opportunity to begin exploratory steps for the regional housing loan fund.

RESPONSIBLE ACTORS AND THEIR ROLES

- CVPDC staff will sustain momentum from this study by managing the new regional housing task force, coordinating the start of regional housing solutions, and seeking additional funding to further increase the PDC's housing capacity.
- The CVPDC board will provide high-level input on staff's efforts and help set long-term goals for housing activities. Members will help evaluate sustainable funding solutions, facilitate strong relationships with member jurisdictions, and identify new opportunities for CVPDC to address the region's housing challenges.
- Local government representatives will participate in the regional task force and collaborate on the implementation of policy solutions.
- Housing practitioners, service providers, and advocates will participate in the regional task force by submitting important information on their operations and client needs. These stakeholders will also likely collaborate on the implementation of policy solutions.

LEGAL, FINANCIAL, AND ORGANIZATIONAL CAPACITY

- There are no known or expected significant legal barriers to the activities in this solution. However, depending on the structure of the potential regional loan fund, a new entity may need to be incorporated. This would require a minor level of attorney time and fees.
- The primary fiscal constraint on this solution is CVPDC's current lack of dedicated funding to support the salary of a housing position. External funding opportunities are available, but are neither guaranteed nor obtainable without upfront work.

- CVPDC has gained relevant housing policy and development experience by administering a \$2 million grant from Virginia Housing to support the creation of new affordable homes. However, until separate dedicated funds are secured for new housing staff, any tasks described in this solution will fall on current staff.

FUNDING SCOPE REQUIREMENTS

- The annual cost for one new dedicated housing position will vary, depending on the level of talent and qualifications sought by CVPDC and eventually found in a preferred applicant. Based on salary ranges posted for similar open positions at CVPDC, total cost inclusive of salary and benefits for a new housing position would likely range from \$60,000 to \$90,000.

POTENTIAL FUNDING SOURCES

Below are possible revenue sources for additional staff capacity for housing at CVPDC.

Possible public sources:

- "Crowd sourced" payments to CVPDC from the general funds of member jurisdictions.
- Set aside funds to cover administration and operations in future federal and state grants, including Virginia Housing PDC housing development grants, as well as potential HOME and CDBG awards managed by CVPDC.

Possible private sources:

- Greater Lynchburg Community Foundation
- United Way of Central Virginia
- Other private foundations and institutions

METRICS TO EVALUATE SUCCESS

Regional housing task force:

- Number of persons on task force
- Number of meetings per quarter/year
- Member attendance rate
- Number of assigned and completed tasks

PDC capacity:

- Amount of dedicated funding secured for housing staff

- Number of years covered by secured funds
- Number of households/persons served or supported by programs managed by staff

PROJECTED IMPACT

Establishing a regional housing task force, if successful, has the potential to significantly increase knowledge sharing and collaboration among policymakers and the housing sector in the Lynchburg area. This would accelerate similar accomplishments of the Lynchburg Housing Collaborative in the city.

Securing dedicated funds to support a housing position at CVPDC would dramatically boost the region's capacity to coordinate existing efforts, initiate new activities, and leverage additional resources that support affordable housing development.

This position would also lead to a much faster exploration (and potential implementation) of a new regional housing fund. Depending on eventual funding levels, that fund could help hundreds of families obtain affordable housing each year.

West Piedmont Planning District Commission

Approach:

WPPDC currently has both a housing program director, a housing program specialist, and a housing rehab specialist on staff. These three positions are funded, respectively, by the Virginia Housing PDC Development Grant, a pair of grants from local philanthropic foundations, and PDC training dollars.

Of the full \$2 million PDC Development Grant, WPPDC set aside \$400,000 for future operational and administrative expenses, which includes salaries. The local private grants include \$75,000 each from The Harvest Foundation and the Danville Regional Foundation.

WPPDC is planning the following steps to sustain its housing efforts:

- Structure the PDC Development Grant to generate future returns that will be used to create a new "Acquire, Renovate, Sell" program,
- Create a nonprofit development corporation to unlock funding opportunities not available to public entities, and
- Administer state- and federal-funded programs previously not deployed in the region, such as the Indoor Plumbing Rehabilitation program and lead inspection services.

Outcomes:

Supporting dedicated housing staff helped WPPDC efficiently deploy \$1.6 million of the PDC Development Grant to support 115 new affordable homes in the region.

These investments leveraged another \$22.1 million in public and private funds. Today, WPPDC housing positions are funded through at least 2023 by their original sources. If the above strategies are successful, these positions will have sustainable funding sources.

[WPPDC Housing Initiative](#)

[WPPDC Awards Over \\$1.3 Million in Affordable Housing Grants \(March 30, 2022\)](#)

[Local commission creates new housing position in partnership with The Harvest Foundation \(November 23, 2021\)](#)

i New River Valley Regional Commission

Approach:

NRVRC currently has a director of housing to manage the PDC's housing programs. These include:

- The New River Valley HOME Consortium, which helps member localities access federal HOME dollars from HUD that would otherwise be much more difficult to obtain on their own. The consortium began in 2007.
- The New River Valley Housing Trust Fund was officially announced in June 2023 and will serve as a conduit for locally-generated dollars to support additional affordable housing projects in the region. NRVRC will coordinate these awards with the HOME Consortium. The fund is currently seeded with \$2 million from the Virginia Housing PDC Development Grant.
- Comprehensive planning and educational initiatives, such as a Housing Resource Guide and the Regional + Local NRV Housing Study, to support greater regional knowledge and collaboration on housing.

Outcomes:

Since 2007, the HOME Consortium has allowed projects in the region to leverage more than \$38 million additional dollars and create more than 350 new affordable homes. The NRV Housing Trust Fund represents the successful development and implementation of a flagship recommendation in the regional housing study from 2021.

The fund will make its first awards in late 2023.

[NRVRC Housing](#)

[New River Valley Housing Trust Fund](#)

7.2 Secondary solutions

7.2.1 Evaluate opportunities for regional consistency for short-term rental regulations

Issue: *Varying approaches across localities to regulate the growing demand for short-term and seasonal rentals create a confusing policy environment*

While short-term rentals can provide a source of income for property owners and provide travelers with alternative lodging options, they can create significant challenges in the housing market. One of the most significant issues is that they can reduce the availability of housing units for long-term rental or ownership, particularly in areas with high demand for housing.

Today, localities in the region have different approaches for regulating and enforcing STRs. Some are very permissive, while others are more restrictive. This may be placing the demand burden on specific communities, such as Smith Mountain Lake, or creating pressure on localities with tighter regulations. Additionally, accurate STR counts and other data from localities are not easily accessible, leading to uncertainty on the total supply, locations, and types of STRs across the region

SOLUTION: *Convene a regional task force to evaluate STR policy and market dynamics*

FRAMEWORK

Better decisions about STR regulation will require additional collaboration and knowledge. To accomplish this, localities may explore creating a task force with the purposes of identifying specific data-sharing opportunities, compiling and evaluating all local STR policies, and finding consensus on ways to help make STRs an asset rather than liability for the region.

While each locality is keenly aware of the impacts of STRs on their local housing market, there may be a lack of understanding on how differing approaches to STRs are impacting the overall region. A regional task force of local government representatives can be brought together to discuss shared values and common concerns about STRs. In addition, a regional task force can consider hiring a consultant to study STRs across the region and provide real data to make informed decisions.

IMPLEMENTATION PLAN

Immediate:

- **Survey existing STR regulations:** Compile all regulations pertaining to STR in each locality and assess the differences and commonalities between them.
- **Invite local government representatives to participate:** Coordinate with member jurisdictions to identify and invite most appropriate representative(s).

Short-term:

- **Hold regular meetings of a regional task force:** Discuss local and regional goals in terms of STR regulation, focusing on the impacts to the housing market, economic development, and workforce.
- **Assess the availability of data on STRs:** Determine with regional task force whether there is enough data on STRs and its impact to make data informed decisions about appropriate regulatory stance.
- **Determine the necessity for consulting services:** Decide with regional task force whether the availability of data and current capacity to analyze that data requires additional support from a consultant or research institution.

LEGAL, FINANCIAL, AND ORGANIZATIONAL CAPACITY

- There are no legal barriers to assembling a regional task force.
- Funding may be required if the regional task force pursues a study of STRs in the region, but there are no financial requirements of assembling a task force.
- Regional task force assembly is dependent on local government participation and support. CVPDC staff is capable of group facilitation, but may not be able to undertake significant research and analysis tasks.

FUNDING SCOPE REQUIREMENTS

Dependent on decisions made by regional task force.

POTENTIAL FUNDING SOURCES

- **Virginia Housing Community Impact Grants** funds can be utilized to conduct studies related to housing.

METRICS TO EVALUATE SUCCESS

- The collection of standardized data on STRs across the region.
- Completed data analysis on STRs and their impact on the region.
- Cooperation between localities on creating a mutually beneficial STR regulatory environment.

RESPONSIBLE ACTORS AND THEIR ROLES

- CVPDC staff should act as the lead organization to facilitate the regional task force
- Local government representatives would volunteer to participate on the task force, preferably this would involve elected officials or planning and community development staff.

8 Local partnerships

These solutions involve the coordination of two or more jurisdictions to solve issues that impact specific areas of the region not contained within a single locality. While some of these may address issues that impact the region at large, the implementation of these solutions might best suit partnerships between two or more local governments.

8.1 Primary solutions

8.1.1 Invest in homebuyer readiness programs

Amherst, Appomattox, and Campbell counties

Issue: *Increasing operations and capacity for first time homebuyer readiness*

Homeownership rates have been declining in recent years in all counties but Bedford, and the loss of younger households is common among all counties. Many young families currently leave the county because they are unable to find or afford a starter home in their community. Many young residents face real or perceived barriers to homeownership, including the inability to qualify for mortgage financing because of credit challenges, insufficient savings, or job instability/irregularity.

Solution: *Expand the network of homebuyer assistance in counties with lowest homeownership rates*

Localities have an interest in providing opportunities for its own residents (especially young workers and young families) to buy a home and stay in the counties.¹ Using local money to specifically enhance operations and capacity and extend these services beyond one organization would bolster current efforts and increase accessibility for residents served both within the city and in the adjacent localities. By working together, these counties can pool resources and potentially achieve more efficient outcomes.

FRAMEWORK

Over the past few decades, homebuyer education programs and counseling have gained prominence in the United States, particularly following the 2009-2012 Great Recession.

¹<https://housingforwardva.github.io/cvpdc/part-3-2.html>. Figures 5.5 and 5.6

This period witnessed a significant shift in lenders' requirements for mortgage credit, introducing stricter criteria like higher credit ratings, lower loan-to-value ratios, increased down payments, and mandatory private mortgage insurance.

Homebuyer readiness programs provide a diverse array of services including individual counseling, group sessions, credit repair, homebuyer savings clubs, down payment match programs, financial management, budgeting, homeownership responsibilities, home maintenance, legal considerations, and foreclosure counseling.

In Virginia, most lenders necessitate homebuyers to partake in a homebuyer education class approved by Virginia Housing (previously VHDA). These classes can be in-person or online, and while Virginia Housing provides a majority of them, private lenders and non-profit organizations like Community Housing Partners also offer similar programs. While online or group counseling may suffice for some homebuyers, others may require extensive assistance incorporating credit repair, individual counseling, and down payment savings plans.

IMPLEMENTATION PLAN

Immediate (0-6 months):

- **Stakeholder Identification and Engagement:** Identify and engage with key stakeholders and partners, including mortgage lenders, realtors, and nonprofits that already serve the counties. Key stakeholders also can include renters in the area that are interested in homeownership to pilot these new education programs. This stage should involve setting up meetings to discuss roles, responsibilities, and potential contributions.
- **Needs Assessment:** Conduct a comprehensive assessment of existing homebuyer education programs to identify gaps and areas for improvement. This would include a survey of potential homebuyers and existing homeowners
- **Project Planning:** Develop a comprehensive project plan that outlines the objectives, deliverables, timeline, and resources required for the initiative.

Short-term (6-12 months):

- **Curriculum Development:** Collaborate with housing and financial experts to design an improved homebuyer education curriculum. This should include topics like financial management, understanding mortgage terms, and homeownership responsibilities, and should draw from established agencies and approaches like those from Virginia Housing or the Homeownership Center in Elkins, WV.
- **Staff Training and Capacity Building:** Organize training sessions for counselors and other key personnel who will deliver the program. Training should cover the curriculum, teaching methods, and strategies for engaging with diverse groups of homebuyers.

Long-term (12- 24 months):

- **Marketing and Promotion:** Develop and launch a marketing campaign to raise awareness about the program. This can involve social media promotion, community events, and partnerships with local media outlets.
- **Program Monitoring and Evaluation:** Establish a system for continuous monitoring and evaluation of the program. This can involve tracking key performance indicators, collecting participant feedback, and conducting regular program reviews.
- **Program Scaling:** Based on the evaluation results, make necessary adjustments and scale up the program to serve more homebuyers. This might involve expanding to new locations, offering additional services, or partnering with more organizations.

RESPONSIBLE ACTORS AND ROLES

- Public entities like Virginia Housing may lead the initiative, providing approval for the program, facilitating partnerships, and ensuring compliance with regulatory requirements.
- Private entities such as mortgage lenders and real estate companies can offer support through funding, collaboration, and implementation of the programs.
- Nonprofit organizations like Community Housing Partners can contribute through program delivery, community outreach, and offering resources such as counseling and training.

LEGAL, FINANCIAL, ORGANIZATIONAL CAPACITY

- Housing counseling and homeownership education programs require funding. Virginia Housing and the US Department of Housing and Urban Development provide some funding for these activities. Most counseling agencies will have already determined which of these funds they are able to access and under what circumstances. The funding source may not always cover the entire cost of the counseling activity, especially when that activity must be conducted at a significant distance from the home office.
- Some banks as well as larger realty organizations may be willing to participate in providing support for housing counseling. Such contributions provide Community Reinvestment Act credits to the banking institution, which are important to the bank when it goes through its periodic review by its regulatory agency.

FUNDING SCOPE REQUIREMENTS

Start-up costs would include program design and development, training for personnel, and initial marketing efforts. Long-term operational costs would cover ongoing program

delivery, personnel costs, monitoring and evaluation, and continual program improvements

POTENTIAL FUNDING SOURCES

- **Government grants and funding:**
 - **Federal:** The U.S. Department of Housing and Urban Development (HUD) provides grants for housing counseling agencies. These agencies can use the funding to offer a variety of services, including homebuyer education courses.
 - **State and Local:** In Virginia, the Virginia Housing Development Authority (VHDA) offers resources for first-time homebuyer classes.
- **Banks and credit unions:** These groups have programs dedicated to community development and reinvestment, which can include funding for homebuyer education. These institutions may be particularly interested in supporting these programs, as educated homebuyers can become more reliable borrowers.
- **Private partnerships:** Companies outside of the housing sector may also be interested in sponsoring these types of programs as part of their corporate social responsibility (CSR) initiatives. This could be particularly true for companies looking to invest in the communities where they operate.

METRICS TO EVALUATE SUCCESS

- Number of individuals and families served
- Improvement in participants' financial literacy
- Number of first-time homebuyers
- Reductions in foreclosures
- Participant feedback and satisfaction

PROJECTED IMPACT

Increasing homebuyer readiness programs in a region is projected to have a significant positive impact on both individuals and the broader community. These programs, which provide prospective buyers with financial literacy education, knowledge about the home buying process, and potentially access to down-payment assistance, can increase the homeownership rate, particularly among first-time and low-income homebuyers.

This leads to greater housing stability for individuals and families, who gain an important asset and a sense of belonging in their community. Additionally, higher rates of homeownership can enhance local economies, as homeowners are more likely to invest in their properties and local businesses, leading to neighborhood revitalization.

HOME of Virginia's Homeownership Education Program

Richmond, Virginia

Approach:

Housing Opportunities Made Equal of Virginia, Inc. (HOME of Virginia) offers pre-purchase homeownership education courses. The curriculum includes understanding credit, managing money, obtaining a mortgage loan, shopping for a home, and maintaining a home and finances.

Outcomes:

Since 1991, over 2,000 families have received downpayment assistance for a total local economic impact over \$95,000,000 in the Richmond area. In 2022, over 400 financial literacy courses were conducted.

[**HOME of Virginia - Homeownership**](#)

HomeOwnership Center, Inc.

Elkin, West Virginia

Approach:

The non-profit led center serves multiple counties to provide community based lending, advising, and educational resource for individuals and families of any income level.

Outcomes:

Over the last five years, over 234 new homeownership opportunities have been created and preserved and over 1,200 customers have received education and counseling services.

[**HomeOwnership Center, Inc. - Advising and Education**](#)

8.1.2 Identify sustainable approaches for manufactured homes

Amherst and Appomattox counties

Issue: *Increased placements of new manufactured homes (and poor quality of existing, older ones) may run counter to counties' growth goals*

The rising cost of homeownership is leading many buyers to manufactured homes as an affordable solution, particularly in Amherst and Appomattox counties. Because state law requires localities to permit manufactured homes as a by-right use on land zoned for agricultural use, many of these new homes are now located away from public utilities and other services. Furthermore, the existing supply of older manufactured homes (especially those built prior to the 1976 HUD code) is an undesirable component of the counties'

housing stock. These units are beyond their functional lifespan and present significant health and safety issues.

Solution: *Explore land use, fiscal, and other mechanisms to ensure manufactured homes benefit both homeowners and the community in the long term*

This recommendation investigates and proposes specific actions these counties could take to address these issues. Options include evaluating zoning ordinance changes to influence the placement of new manufactured homes, identifying incentive opportunities within real estate assessment and related tax schemes, and leveraging grant funds to support the disposal of dangerous pre-1976 mobile homes.

FRAMEWORK

This solution includes three primary tasks, along with recommendations for prerequisite data analysis to better inform potential decisions. While these tasks are not dependent on one another, success is more likely if the localities simultaneously pursue at least two options together.

Data analysis: *Determine scope and scale of manufactured home placements*

Amherst and Appomattox should combine their residential permit and assessment data to further investigate the deliveries of factory-built housing in more isolated sections of their counties. Data should be inclusive of multiple years (at least three, ideally five or more) to increase sample size and reveal any important trends.

Data should be analyzed to answer the following questions, which will provide staff and leadership with important context:

- How many manufactured and site-built homes were permitted within each zoning district? (i.e. A-1 versus R-1, R-2, etc.)
- How many manufactured and site-built homes were permitted in areas served and not served by public utilities?
- What were the original assessed values (improvements only) and purchase prices of newly placed manufactured homes?
- What specific areas, neighborhoods, or corridors (in A-1 districts and elsewhere), if any, were new manufactured homes highly concentrated?

Once completed, staff should prepare a joint memo to share findings with planning commissioners (and supervisors, if desired) of both counties. This memo could also outline some of the potential solution steps described below.

TASK 1: *Evaluate and amend zoning ordinances*

All new homes—whether built on site or in a factory—must conform to local zoning codes. While local governments in Virginia generally have broad powers to regulate residential

uses in their zoning ordinances, state code ([§ 15.2-2290](#)) requires localities to permit manufactured homes:

". . . in all agricultural zoning districts or districts having similar classifications regardless of name or designation. . ."

Still, manufactured homes must be on an individual lot (with no other residential units) and secured to a permanent foundation. The code does give localities the authority to apply general development standards in these districts, but those must apply to both site-built and manufactured homes.

Both Amherst's A-1 Agricultural Residential District and Appomattox's A-1 Agricultural District comply with these requirements. Together, these districts comprise the vast majority of land across both counties.

Described below are several options the counties could pursue to address this challenge via zoning code reform. These are workable approaches that comply with state code and do not attempt to define manufactured homes differently than the state's definition, which is also not permitted. However, each option has notable downsides that may easily outweigh potential benefits.

- **Option 1:** Rezone certain A-1 areas to existing residential districts that do not allow manufactured homes by-right.
 - Does not require amending existing or creating new zoning districts
 - Loss of parcels dedicated to agriculture
 - Could promote additional sprawl
- **Option 2:** Increase general residential development standards in A-1 districts to disincentivize new manufactured homes.
 - No rezonings required
 - Cannot differentiate requirements between site-built or manufactured home
 - Site-built homes affected as regulatory "collateral damage"
- **Option 3:** Update existing residential districts in preferred growth areas to incentivize manufactured home placements.
 - No rezonings required
 - Does not prevent additional manufactured home placements in A-1 zones
 - Higher land costs in these areas may cancel out any incentives

- **Option 4:** Propose a new non-agricultural zoning district that limits manufactured home placements while retaining open space and land conservation elements
 - Does not change existing districts, but requires rezonings
 - Could be difficult to design effectively
 - Loss of parcels dedicated to agriculture

Staff from both counties should collaboratively evaluate the pros and cons of these options for their respective communities. If no workable solution via zoning is possible, then staff should focus attention on the remaining task options.

TASK 2: *Identify possible tax and financial incentives*

Consult with county attorneys to determine fiscal incentives localities can implement under existing state code. Establish certain manufactured home quality criteria that new placements should meet to receive incentives, such as energy efficiency performance and roof type.

Consider reduced or waived hookup fees, along with real estate tax rebates or abatements, for:

- Manufactured homes in areas served by utilities,
- Manufactured homes that meet certain quality criteria, and/or
- Low-cost modular and site-built homes as alternatives to manufactured homes.

Consider increased hookup fees for:

- Manufactured homes in areas not served by utilities, and/or
- Manufactured homes that do not meet certain quality criteria.

TASK 3: *Secure new funding and create incentives to eradicate old mobile homes*

Work with CVPDC, Virginia Housing, and DHCD to identify and jointly apply for funding that:

- Covers some or all expenses associated with demolition and disposal of pre-1976 mobile homes, and
- Provides extremely low-income residents (in those homes) with relocation assistance to find new permanent housing.

Conduct proactive outreach to residents in poorest-quality homes and connect with service providers to begin evaluating alternative housing arrangements.

Criteria to prioritize mobile home replacements will help triage properties/residents with greatest needs. Should consider:

- Number of and severity of housing problems (e.g. no heat, water leaks, missing windows, etc.),
- Resident income and assets,
- Resident physical and/or mental disabilities,
- Presence of seniors and/or children,
- Other attributes as needed

Develop streamlined process for demolition/disposal pre-approval. Consider reducing, waiving, or refunding permit fees. Identify qualified contractors to complete work.

IMPLEMENTATION PLAN

Immediate:

- Begin data collection and analysis.
- Seek county attorney opinions on zoning options and potential financial incentives (via hookup fee changes and real estate tax rebates/abatements).
- Start preliminary conversations with partners and stakeholders regarding:
 - Possible zoning ordinance changes,
 - Possible fee and real estate tax changes,
 - Funding sources for removal of substandard mobile homes, and
 - Strategies to successfully relocate residents in those homes.

Short-term:

- Finish data analysis, prepare memo with major findings, and share results with county leadership.
- Draft any and all zoning amendments determined as potentially effective solutions.
- Draft any and all ordinances related to tax and fee policies.
- Prepare explanatory info sheets and presentations for any proposed changes; use to proactively educate public, planning commissioners, and supervisors.
- Prepare and submit applications for funding that supports substandard mobile home decommissioning.
- Establish criteria to prioritize mobile home replacements.

Long-term:

- Initiate formal public hearing process for any amendments to the zoning ordinance and/or county fiscal policy.
- Roll out a coordinated system to incentivize removal and replacement of old mobile homes.

RESPONSIBLE ACTORS AND THEIR ROLES

County staff: Undertake data analysis, hire consultants and engage experts as necessary, submit applications for new funding sources, evaluate and recommend changes to county policies.

Planning commissioners and supervisors: Provide direction and feedback on staff reports and proposals, facilitate community input at public hearings, approve or amend (or reject) proposed reforms.

CVPDC: As needed, support staff from both counties with technical assistance and facilitate meetings with state agencies and other potential funders.

Housing service providers: Coordinate with counties on outreach to mobile home residents, implement new/expanded programs with new funding secured by counties.

LEGAL, FINANCIAL, AND ORGANIZATIONAL CAPACITY

- The range of possible zoning changes include options that should be vetted by county attorneys to assess whether legitimate takings claims (or other challenges) could be presented. Changes to county fee regimens should also be evaluated to ensure compliance with any relevant state code requirements. Limited to no legal issues should be expected for a replacement program.
- Identifying, decommissioning, and disposing of old mobile homes are the costliest activities described in this solution. The total cost per unit can easily exceed several thousand dollars. Additionally, further significant costs could be incurred if resident relocation funds were also included at meaningful amounts.
- All together, these tasks would require significant levels of dedicated staff time and coordination. Should the counties work together, they are best served by developing a joint action plan that taps into specific staff skills and capabilities while also respecting their capacity.

FUNDING SCOPE REQUIREMENTS

- Investigating and possibly implementing zoning changes could be work that is incorporated into the normal workload and budget cycles for planning departments. However, should staff elect to hire consultants to assist with this work, contract prices might range from \$5,000 to \$25,000 depending on scope and other elements.

- Disposal costs for substandard mobile homes could reach \$10,000 per unit. At that price, successful remediation of just 25 homes would total \$250,000.
- Effective residential relocation assistance could reach several thousand dollars per household.

POTENTIAL FUNDING SOURCES

Funding options to support the removal (and potential replacement) of substandard manufactured homes:

- **Federal** (via DHCD): CDBG, HOME, Weatherization Assistance Program (WAP)
- **Local:** Dedicated general fund revenue, special fees or assessments
- **Private:** Local philanthropic foundations and other donors

METRICS TO EVALUATE SUCCESS

- Number of new manufactured home placements relative to site-built production
- Number of new manufactured home placements in areas served by, and not served by, public utilities
- Number of substandard mobile homes removed from housing stock
- Number of households previously in substandard mobile homes now in safe housing

PROJECTED IMPACT

There are approximately 1,700 manufactured homes in Amherst County, and another 1,200 in Appomattox County. With a conservative estimate that one in ten of these homes are obsolete, nearly 300 homes could be targeted for replacement. Strategically prioritizing certain properties could help revitalize certain streets or neighborhoods, and provide their previous occupants (if any) with a better quality of life in new housing.

8.1.3 Address common challenges in manufactured home communities

Bedford and Campbell counties

Issue: *Manufactured housing offers affordable housing but is often plagued with housing quality issues, especially in mobile home parks*

Although manufactured homes provide a much-needed source of low-cost housing, particularly in rural areas, they have challenges. Older mobile homes often present serious health, safety, and energy efficiency hazards; dealer financing for manufactured homes may be predatory; and homes in parks, although typically owned by their occupants, are

not titled as real estate—leading to depreciation and an absence of opportunities for wealth-building. Additionally, rising costs in the region and rental instability have forced families to double up with others or live in informal homelessness situations that can be hard to track in mobile home communities.

Solution: *Survey and assess existing mobile home parks to inform resource allocations and policy decisions that address rehabilitation and overcrowding*

FRAMEWORK

While present in all counties, Bedford and Campbell hold the lion's share of the region's manufactured home communities, including smaller communities of two to four mobile homes. Undertaking a comprehensive inventory of these communities, most of which have less than 50 homes, will produce important data on existing structural conditions and capture additional demographic information related to Continuum of Care goals. Furthermore, analysis of local land use and assessment guidelines can help determine how local governments might be placing unnecessary barriers on these communities.

This investigatory work would provide policymakers and practitioners with a clearer picture of current needs, setting up a stronger foundation for subsequent policy and programmatic solutions. These might include pursuing replacement/infill homes in parks, targeted outreach of social assistance programs, and supporting the acquisition of at-risk communities by nonprofits. Study elements should include, at a minimum:

- **Profile of households living in manufactured homes** using Census data and American Community Survey estimates. Detailed cross-tabulations may also be possible through the use of the Public Use Microdata Sample.
- **Profile of manufactured home communities**, completed via windshield surveys and other direct forms of data collection. The survey should collect and verify information such as:
 - Number of units
 - Design features (signage, curb and gutter, lighting, parking, etc.)
 - Housing conditions (age, foundations, presence of accessory structures, façade conditions, etc.)
 - On-site services (office/management building, trash and recycling, playgrounds, etc.)
 - Connectivity relative to transportation and amenities
- **Park typologies**, categorizing communities and their needs to better tailor policies and interventions.

- **Affordability analysis** based on available income estimates from Census/ACS data and published lot rents and fees for parks.
- **Analysis of local land use and assessment guidelines** for manufactured homes and mobile home parks. Does local zoning permit new parks? How do local governments permit replacement/infill homes in parks, if at all?

If determined to be a necessary component of the study's scope, these findings may also be followed by specific policy recommendations for local governments in the Lynchburg region.

HousingForward Virginia recommends that the study's findings be released publicly to ensure policymakers, elected officials, planners, and others understand the nuances of manufactured housing and think beyond common stereotypes. Press releases, media outreach, and a "rollout" presentation/event are possible options.

IMPLEMENTATION PLAN

Immediate:

- Determine if research will be conducted "internally" by CVPDC and local government staff, or if project will be contracted out to a third-party firm.
- Gather a list of persons and organizations in the region (and potentially across the state) who might serve as project advisors due to their knowledge and background.
- Contact local planning and zoning officials to determine if they have reliable lists of manufactured home communities in their jurisdictions.
- Develop list of potential funding entities; submit proposals to interested parties.

Short-term (next 12 months):

- Create a standardized database for known manufactured home communities in the region. At the very least, this database should include: park name, address, owner/manager, number of occupied homes, number of pads, number of homes owned versus leased, utility statuses, lot rents and fees, and records of recent sales.
- Develop park survey criteria and methodology. If possible, outreach to park owners to collect information about lot rents and other community data.
- Begin Census data collection and analysis.

Mid-term (12-24 months):

- Conduct in-person park survey to gather on-the-ground information about community and housing conditions.

- Draft and finalize report, including analysis of findings and key takeaways for policymakers.
- Determine and implement process for public dissemination of the study. Identify and pursue any key next steps identified in the report.

Long-term (24+ months):

- Conduct a scaled-down “check-in” survey to parks in the region to determine if the number of units or vacancy rates have changed.
- Make note of any significant changes in park ownership; take advantage of new owners looking to make good impressions in the community.

LEGAL, FINANCIAL, AND ORGANIZATIONAL CAPACITY

- There are few legal barriers for completing this work. However, in-person surveys of parks may require entering private property not within the public right-of-way and, if necessary, should be done with the owner’s permission.
- A comprehensive survey is not a likely task to be completed within the normal scope of work and budgets for CVPDC and other local government departments. Therefore, it is recommended that new discrete funding be pursued to complete this work.
- CVPDC and local government staff possess the technical expertise to conduct a study of this type. However, they may not have the time or capacity to complete it. It is recommended that a consultant or dedicated research unit be considered for this project.

FUNDING SCOPE REQUIREMENTS AND PROJECTED IMPACT

- Some aspects of this solution may be completed without major funding required, including the creation of a region-wide database for manufactured home communities. The Department of Homeland Security already has a list of manufactured homes for the nation with limited information.
- Cost estimates for a full study will vary depending on the number of parks that require physical visits, along with the amount of complementary analysis/research determined to be useful. Expect a range of \$25,000 to \$75,000.

POTENTIAL FUNDING SOURCES

Public funds may come from collective funding from local governments, and/or from Virginia Housing. Private funds may be available from philanthropic organizations interested in housing, health, poverty, and legal aid.

METRICS TO EVALUATE SUCCESS

- Major knowledge gaps should be filled when this study is completed, including:
 - Exactly how many mobile home parks are in Bedford and Campbell Counties?
 - How many households live in these communities?
 - What are the major strengths, weaknesses, opportunities, and threats for parks?
 - What are the demographics and socioeconomic situations of park residents?
- Success may also be measured by shifts in funding/service priorities for local governments and community development organizations, to focus on manufactured home communities.

RESPONSIBLE ACTORS AND THEIR ROLES

- CVPDC and local governments will initiate this solution, develop scope of work, and determine who and how will conduct the research.
- Research team, which may be a third-party consultant, will develop survey criteria, complete Census data analysis, and conduct on-the-ground assessments of mobile home parks.
- Virginia Legal Aid Society, Bedford Housing Coalition, and other direct service organizations who might already serve park residents can act as liaisons for researchers, and provide valuable insights into household needs.

MHCCV Central Virginia manufactured home community study

The Manufactured Home Community Coalition of Virginia (MHCCV) completed a comprehensive study of manufactured home communities in the Richmond region in 2016. This study was commissioned by an affordable housing nonprofit called project:HOMES, who later acquired a 50-unit trailer park along Route 1 in Chesterfield County.

Project:HOMES has a long-term plan to revitalize the park by replacing each unit with high-quality, energy efficient manufactured homes. In addition, they have invested significant resources to improve infrastructure, create a community center, and hire bilingual staff to support and engage with residents.

[MHCCV - Central Virginia Study](#)
[project:HOMES - Bermuda Estates](#)

9 Amherst County

9.1 Primary Solutions

9.1.1 Provide support for the aging population

Issue: A growing number of seniors in the county require homes and services to support their mobility status and changing health needs.

An increasing number of older adults are choosing to “age in place” (AIP) and stay in their own homes and communities for as long as possible. Across the region, the senior population grew by 9,021 individuals from 2012 to 2021, and Amherst was the only locality that experienced a population decrease (3%), in part due to overall proportion of aging residents.

Solution: Adopt and implement an AIP framework for local builders to address essential home modifications and community adaptations that address residents and life-stage changes.

Finding and training regional developers capable of retrofitting existing homes and building new patio-style housing will be essential to address accessibility needs of residents. This work must be intentionally built into development patterns and transportation infrastructure to ensure seniors can access the healthcare and services they need outside the home, particularly in rural areas or areas along county lines that may be less connected to such resources.

FRAMEWORK

While aging in place has always been the first choice of seniors, baby boomers are choosing this approach to aging at a rate well beyond their parents. Existing research shows that more than two-thirds of boomers want to stay in their homes as long as possible and resist the idea of moving into retirement homes, even as children and families are increasingly moving away from their parents. Beyond the social motivations for this shift, the financial benefits of aging in place have also influenced many to seek this path. According to the Genworth Cost of Care Survey 2021, the average cost of assisted living in the Lynchburg region is \$4,625 a month.

Housing modifications become increasingly important as people age in order to assist in their adaptation to changing capacity and to maintain a sense of well-being and independence in daily life. The relationship between housing and health is especially important in very old age as older adults are more vulnerable to environmental challenges.

Designing an Aging in Place program involves at least two essential categories: Home modification and community adaptation.

Home Modification begins with an assessment by a qualified professional. Often these are people with an occupational therapy background. They walk through the home with the resident to determine their individual physical needs and how the home needs to be modified in order to accommodate those needs. The home assessment will look at current and future needs so that the plan can be put in place to ensure that the house will continue to need the changing needs of the residents. Once the modification plan is in place, the challenge is to find a qualified contractor who will be able to accomplish those modifications at a cost the homeowners can afford. Since many seniors have limited incomes, it is important to be able to find sources of subsidy that can make it possible for seniors with limited incomes to be able to take advantage of all modifications that will keep them safe.

Community adaptations relate to changes in public spaces that can facilitate an ease of access to community and services. As seniors drive less, for example, there is a need to find transportation services that can take the place of self-driving. Many communities are also looking at changing their own development patterns and infrastructure to make it easier for seniors to age in place in a way that does not separate them from the community.

IMPLEMENTATION PLAN

Immediate (0-6 months):

Evaluate existing networks and leadership: Identify service providers and community leaders who are currently involved in working with seniors and would be well positioned to join a countywide Aging in Place Leadership (AIP) Team. This team would be responsible for organizing and guiding a comprehensive initiative following successful models like those in the New River Valley and the Village network model in Northern Virginia. Identify gaps: Learn where the gaps exist in housing needs and services for seniors (i.e. access to food, transportation, recreation, etc.). Map areas of concentration: Map the location of senior households in the area using tract or block-group level American Community Survey estimates to understand where concentrations exist. Evaluate survey data: Review prior surveys of senior renters and homeowners in the region to refresh the understanding of their preferences and plans with respect to housing. Update findings as needed. Seek best practices for an AIP policy: Research best practices from similar communities as to how they built AIP into policy and program decisions at the local level—for example, as a part of new developments or streetscapes.

Short term (6-12 months):

Establish timeline and resources: Assembly a county-wide AIP Leadership Team to meet on an established basis. Develop an action plan by placing the AIP initiatives on a timeline and identify the resources needed for implementation. If resources do not permit full scale implementation, identify initiatives that can be piloted by order of priority. Develop a home-modification program: Implement a comprehensive home-modification initiative that incorporates the following elements: Home assessments: pursue outreach to older residents to support home self-assessments as well as access to low-cost certified home assessments. Quality construction: coordinate with qualified contractors and use a construction quality control process. Financial assistance: provide financial assistance to homeowners on terms that are consistent with their ability to pay for AIP home modifications. Program navigation support: Many seniors will need a navigator/coordinator to help them through the process.

Long-term (12-24 months):

Coalition build beyond the county: Support localities in mapping and prioritizing the needs of their residents and identify areas of shared priority to be pursued at either a regional or local scale (perhaps as a pilot project if funding is limited). Ensure the CoC, regional healthcare providers, and other Strengthen capacity: Establish consistent funding sources and training programs to continue to provide a stream of home modifications services to address all levels of need. This may involve create hub locations in rural parts of the county. Incorporate AIP in housing education and outreach: Make AIP part of follow-up housing study conversations and outreach. If a housing forum is held, make AIP one track within the event. Use the existing Homebuilders Expo, Hokie Wellness Fair, Lifelong Learning Institute, or hospitals as natural venues for disseminating relevant information.

RESPONSIBLE ACTORS

AIP leadership team, local government staff, local senior service agencies, housing and healthcare providers, counselors, housing funders, volunteers. Connecting with regional institutions and leadership can further strengthen the work of local actors.

LEGAL, FINANCIAL, AND ORGANIZATIONAL CAPACITY

As with any program where advice is being given and changes are made to the homes of seniors, it is important to carefully assess legal liability. Making sure that providers are professionally trained and certified and that contractors are properly insured are critical elements to a properly designed program. Aging in place is an extensive undertaking. It will require coordination of many agencies and organizations. One model is to create a coordinating council that provides guidance and measures impact. In the Richmond area,

that organization is the Greater Richmond Age Wave—a coalition led by VCU's Gerontology Department but that includes local governments in the region as well as many housing and service providers. The AIP leadership team is the starting point for this and can be built out with other public and private sector leaders.

FUNDING SCOPE REQUIREMENTS

Because of the size of the senior population and its continuing projected growth, the funding requirements of a full-scale aging in place program may be very substantial and need to include the following components: Home assessment costs Renovation and retrofitting costs Builder training and certification Financial assistance programs Outreach and education Program administration Monitoring and evaluation

POTENTIAL FUNDING SOURCES

Many traditional affordable housing funding sources can also be accessed to assist lower income seniors with aging in place. Most of these programs are means tested and only available to seniors with incomes below 80% of AMI and in many cases, less than 50% AMI. These include: State and federal grant programs: Funding programs through the DHCD, HUD, the United States Department of Agriculture (USDA), and Virginia Housing exist that may serve the housing needs of seniors; however, these sources have significant limiting factors to serving effectively for home modification needs. CDBG funds, distributed by DHCD, may be used for a wider variety of housing, community and economic development activities. These funds could be used to make home modifications or repairs as well as make community adaptations. Medicaid and Medicare: The Commonwealth Coordinated Care Plus (CCC Plus) is a Medicaid managed long-term services and support program that includes some minor home modification services for qualifying seniors. Medicare and Medicaid reimbursement rules are also providing strong incentives for health care institutions to address the housing status of their patients. This could include partnering for home modification initiatives—especially those in which trained occupational therapy professionals can evaluate home conditions and make recommendations. Nonprofit assistance: Local affordable housing providers like Habitat for Humanity have demonstrated experience providing home modifications. The Southeast Rural Community Assistance Project, (SERCAP) Aging in Place program, based in Roanoke, provides support services to help individuals who wish to continue living at home despite health setbacks, including adaptive design solutions for homeowners. Aging in place, however, is not a unique need for lower income seniors. Many seniors with significant retirement income as well as substantial home equity are also in need of AIP assistance. Any AIP program in the region/the AIP leadership team should recognize this and make access to programs and services available on a market rate basis, and connect local developers with the tools to succeed in providing the best fit for buyers.

METRICS TO EVALUATE SUCCESS

Resident tenure in their home, residents are able to stay in their homes as long as they had planned Improvement in health conditions Decrease in the number of injuries in-

curred in the home Seniors generally experiencing better health outcomes as a result of continuing to reside in their own homes Seniors generally happier and more satisfied as a result of access to services, entertainment cultural stimulation and socialization

PROJECTED IMPACT

The potential production and impact of these programs will be quite large. Most aging in place programs balance costs by starting very modestly with specific targeting of households and certain types of housing modifications. The program can expand from there depending on resources both financial and human.

BEST PRACTICES AND EXAMPLES

Albemarle Housing Improvement Program (AHIP) - Seniors Safe at Home

Approach: The Albemarle Housing Improvement Program (AHIP) is a 30-year-old housing organization located in Albemarle County, Virginia. Over the last decade, AHIP has evolved into an agency that primarily serves seniors with a range of services to help them stay in their homes longer. Seniors Safe at Home sets out to make sure that no senior citizen must wait for a critical home repair while helping them preserve assets and age in place. The types of repairs vary and include heating/cooling, roof leaks, stair and porch repair, kitchen and bath accessibility, plumbing and electrical problems, and issues with well and septic systems.

Outcomes: In 2016, this program helped 98 senior citizens with repairs and rehabs, or 53% of AHIP's clients- as of 2021, the number of seniors rose to 66% of their total rehab participants. AHIP uses a variety of funding sources; however, the largest share of its support comes from the City of Charlottesville and Albemarle County. Both of these jurisdictions use local and HUD funds to support AHIP's work. AHIP also raises a substantial amount of charitable funding every year from corporate and philanthropic sources as well as individuals.

The Village

Approach: The Village movement began in the United States nearly 20 years ago. There are now more than 220 Village programs across the country and at least 10 operating in Virginia (primarily in Northern Virginia). The program is based on the idea of volunteerism. Seniors in the community join and form a nonprofit organization with a modest annual fee, and most organizations hire a coordinator who helps the members find services such as in-home care, handyman help, drivers, and meal delivery.

Frequently, other members of the community will volunteer to help individuals who are a part of the village. For example, a young person in the neighborhood might be willing to mow a lawn, rake leaves, clean gutters, take out the trash, or change a ceiling light bulb for a senior resident.

College Service Project: Appalachia Service Project Services for Homeowners

Approach: The College Service Project (CSP) is a student-led campus-based organization that affiliates each of its chapters with the Appalachia Service Project (ASP). The CSP follows the ASP model for home repair projects in their local communities. College students and other volunteers make critical repairs on homes and build new homes when current dwellings are beyond repair. More than 15,000 volunteers give their time to repair and build homes with the Appalachia Service Project. This model could be replicated with the 55 colleges located within 100 miles of Amherst.

Outcome(s): In the fifty two years since the Appalachia Service Project's founding in 1969, over 400,000 volunteers have repaired nearly 20,000 homes. Not only does the service create safer living situations for rural families in Appalachia, it also establishes meaningful relationships between repair staff and homeowners. Likewise, youth and adult volunteers gain experience and confidence to make important home repairs.

9.1.2 Attract and incentivize developers to build lower-cost homes and increase housing diversity

Issue: A shortage of building construction and specialty trade contractors across the region is a major constraint on construction of new housing, and there is a lack of variety to meet residents' lifestyles and budgets.

The region faces greater demand for housing than can be supplied by the current array of developers, particularly dedicated affordable housing produced by nonprofits and other mission-driven organizations. One-person homeowners households are increasing, indicating changes in family structures in the county, as an increase in the number of single parents with children living with others in Amherst County, which could indicate a lack of housing that is affordable and attainable for individual families.

Solution: Invest in and support the growth of affordable developers and builders, and reevaluate development regulations to allow for greater density and diversity of housing.

Attracting and incentivizing developers who can deliver lower-cost options requires a combination of financial, regulatory, and technical support. Furthermore, increasing housing choice diversity is important for promoting equitable and inclusive communities, reducing segregation and discrimination, and providing a range of housing options for people with different incomes, backgrounds, and lifestyles.

FRAMEWORK

A combination of efforts are required to address the issue of affordable housing supply-chain. Amherst County can explore ways to align development regulations with their desire to address housing that is more accessible and affordable to young families, seniors, and modest-income households. This can include streamlining the development

process, offering zoning and land use incentives, providing financial support, and increasing technical programs and assistance to navigate the unique requirements of affordable housing. Through strategic implementation of these tactics, it is possible to create an environment that is attractive and conducive for developers to contribute meaningfully to housing diversity and affordability, and to minimize obstacles preventing affordable housing development.

IMPLEMENTATION PLAN

Immediate (0-6 months):

Establish a task force comprising housing experts, developers, local government representatives, and community stakeholders. This body will analyze current housing policies, evaluate existing regulation and identify barriers, and determine what incentives would most effectively attract developers. Initiate open dialogues with potential private developer partners to better understand their hesitations and needs concerning affordable housing projects. This information will guide the task force in designing appealing incentive packages. Develop a blueprint for a technical assistance program, which will offer guidance on navigating regulatory hurdles and securing funding for affordable housing projects.

Short-term (6-12 months):

Roll out chosen financial incentives, which could include a combination of property tax abatements, density bonuses, low-interest loans, or grants to developers undertaking affordable housing projects depending on identified need and impact. Execute regulatory reforms, including a streamlined development approval process, relaxation of zoning laws to accommodate diverse housing types, and a fast-tracked review process for affordable housing proposals. Launch the technical assistance program, offering training sessions and resources to assist developers in understanding and overcoming the complexities of affordable housing development.

Long-term (12-24 months):

Develop public-private partnership frameworks and attract new private entities to participate in affordable housing projects. Continually monitor the effectiveness of all implemented measures, modifying strategies as necessary based on outcomes and feedback.

RESPONSIBLE ACTORS AND ROLES

Public entities, private developers, and non-profit organizations will all have roles. Public entities will provide policy guidance and be responsible for executing any chosen regulatory reforms. Private developers will bring in the required building expertise, efficiency, and scalability. Non-profit organizations can assist in community engagement, offering local knowledge and fostering support for affordable housing projects.

LEGAL, FINANCIAL, AND ORGANIZATIONAL CAPACITY

Training programs should cover how local zoning regulations could influence the planning and execution of affordable housing projects, including the potential need to navigate variances or amendments to these regulations. Training must also include understanding the Virginia Residential Landlord and Tenant Act and its implications on managing affordable housing units. Developers should be educated about Virginia's Low-Income Housing Tax Credits (LIHTC) and how to leverage this program to finance affordable housing development. Building organizational capacity involves training developers on project management, collaboration with local organizations and government entities, and compliance with affordable housing regulations.

FUNDING SCOPE REQUIREMENTS

Funding requirements will depend on the scale of the implementation. Initial costs will be associated with establishing the task force, designing incentive packages, and setting up the technical assistance program. Long-term operational costs will include maintaining partnerships, managing programs, and funding financial incentives.

POTENTIAL FUNDING SOURCES

Government Funding: Federal grants such as the HOME Investment Partnerships Program or the Community Development Block Grant (CDBG) program HUD's Thriving Communities Technical Assistance (TCTA) Program helps localities to address their housing needs, including addressing regulatory and procedural reforms Targeted grants for housing planning efforts are available from DHCD and the Appalachian Regional Commission. The Virginia Housing Trust Fund (VHTF) provides loans with low-interest rates for affordable housing projects **Public-Private Partnerships (PPP):** Private sector entities often participate in affordable housing development through PPP arrangements. The private sector brings in capital and operational efficiency, while the public sector can offer incentives like tax breaks, land, or eased regulatory requirements. Low-Income Housing Tax Credits (LIHTC) can be one example of this type of partnership. **Philanthropic Resources:** The Virginia Housing Capacity Building and Community Impact Grant programs could help fund technical assistance efforts and development planning

METRICS TO EVALUATE SUCCESS

Number of affordable housing units developed
Uptake of financial incentives by developers
Efficiency of the regulatory approval process
Increase in housing types
Number of new affordable developers in the county

PROJECTED IMPACT

With a well-executed plan, this approach could substantially increase affordable housing availability and diversity within the region over the next few years, with impacts on individual, community, and economic levels.

BEST PRACTICES AND RELEVANT EXAMPLES

City of Arlington - Affordable Housing Investment Fund (AHIF) Approach: The city of Arlington has expanded affordable housing by providing low-interest loans to developers through AHIF, introduced bonus density provisions, and actively involved communities in decision-making processes. Outcomes: The program has enabled the majority of the approximately 8,300 rental units approved throughout the County that help provide homes for low- and moderate-income households, including specialized housing for the elderly, the homeless, or persons. Austin, Texas - Small Developer Training Program Approach: The Small Developer Training Program is launching this year and aims to boost the availability of affordable housing in Austin by equipping small-scale developers with the necessary skills and knowledge. The comprehensive education initiative is organized by HousingWorks Austin and includes small scale development strategies and insights into the regulatory environment to enable smoother planning and approval processes.

9.2 Secondary Solutions

9.2.1 Complete needed water and sewer infrastructure projects

Issue: *Southern parts of the county require new water and sewer infrastructure to match demand for housing*

The county needs to expand water and sewer capacity to accommodate a growing demand for housing in Madison Heights and areas nearest to Lynchburg. In April 2023, the Amherst board voted to allow the Amherst County Service Authority (ACSA) to finance \$2.5 million in utility infrastructure improvements in southern portions of Madison Heights (the Gateway Sanitary Sewer Project); while this will allow for significant new capacity in the coming years, the county must ensure their investment will be returned through strategic new development.

Solution: *Address water and sewer needs via strategic infrastructure planning and financing*

Managing the timing of water and sewer infrastructure necessary for new housing development requires sophistication and a range of funding sources and strategies. Comprehensively aligning residential development and infrastructure planning will attract and encourage growth into areas where new infrastructure is planned.

FRAMEWORK

In the most recent comprehensive plan, Amherst County reinforced established boundaries where public water and sewer will and will not be extended over the next twenty years. The county must continue to target its housing efforts within these Designated Growth Areas and where transportation and other infrastructure improvements are in place to support this growth. Avenues for ACSA and the county to expand their efforts on this challenge include: Stakeholder outreach Hold a symposium to increase education

on infrastructure issues. Target attendance from current/potential developers, owners of large properties, and other interested and affected parties. Help attendees understand the scope of challenges and costs and provide opportunities for questions and feedback. This event could coincide with ACSA's upcoming master plan effort, described further below. Explore coordinating with other jurisdictions (Appomattox, Lynchburg) on developer outreach, including the symposium described above. Innovative funding sources Continue to evaluate long-term financing options for major projects and maintenance costs. Connect with peer jurisdictions that have used municipal bonds and similar debt financing to discuss lessons and challenges. Work with CVPDC to explore ways to pair housing and community development grants (e.g. CDBG) with infrastructure upgrades. Proactive and coordinated planning In 2022, ACSA staff began discussing steps to complete a new master plan with the board. As of June 2023, the scope and RFP for this plan are not final. This plan is a major opportunity to harmonize ACSA strategies with county growth plans. The new ACSA master plan should directly reference relevant objectives found in the water infrastructure chapter of the county's most recent comprehensive plan. Goal 1, Objective 2 recommends innovative funding sources. Goal 1, Objective 4 encourages cooperation with stakeholders, such as county staff, the EDA, and developers. Goal 2, Objective 1 recommends that needed infrastructure work be coordinated to take advantage of other county projects and private developments. Goal 2, Objective 3 suggests additional collaboration with neighboring service providers to explore interconnects and other ways to maximize system efficiency. These objectives provide a pre-existing framework for ACSA to develop and prioritize tasks in the master plan.

IMPLEMENTATION

Immediate (within 6 months)

Determine the feasibility of hosting an infrastructure symposium in the next 12-18 months. Conduct preliminary stakeholder outreach to assess appetite for such an event. Finish drafting master plan RFP and incorporate all board feedback.

Short-term (within 12 months)

Plan and hold an infrastructure symposium as described above. Announce master plan RFP, solicit bids, and select winner. Establish regular meetings with county planning staff to share updates and expected development plans. Monitor development trends following recent changes to rates and fees.

Mid-term (within 24 months)

Work with consultant to develop and publish master plan. Conduct additional research and interviews to thoroughly evaluate non-traditional revenue sources.

RESPONSIBLE ACTORS AND ROLES

ACSA staff: Prioritize and execute activities, interface with stakeholders, provide updates and recommendations to ACSA board. ACSA board: Evaluate and adopt policy changes,

oversee staff activities, build and maintain relationships with other local, state, and federal leaders. Amherst County administration: Collaborate with ACSA on stakeholder outreach and master plan. CVPDC and neighboring localities: Provide information and coordinate on certain activities as needed.

POTENTIAL FUNDING SOURCES

User rates and fees: Provide consistent core operational revenue, but cannot support major capital projects on their own. State and federal grants: Can be used for multiple activities depending on originating agency and program, but often have competitive and lengthy application periods. Self-financed debt: Municipal bonds and similar funding mechanisms can be complex and politically challenging, but can also generate significant revenue. EXAMPLES AND BEST PRACTICES HFV is currently completing outreach to localities in Virginia that may be referenced as helpful case studies. Any useful information gathered will be added here.

10 Appomattox County

10.1 Primary Solutions

10.1.1 Provide support for the aging population

Issue: A growing number of seniors require homes and services to support their mobility status and health needs Locally and nationally, an increasing number of older adults are choosing to “age in place” (AIP) and stay in their own homes and communities for as long as possible. Across the region, the senior population grew by 9,021 individuals from 2012 to 2021. Appomattox, in particular, saw an 81 percent increase in renters aged 45 to 64 years old between 2010 and 2021.

Solution: Adopt and implement an AIP framework to address essential home modifications and community adaptations.

Solutions include finding and/or training regional developers capable of retrofitting existing homes and building new patio-style housing that address accessibility needs. This work must be intentionally built into development patterns and transportation infrastructure to ensure seniors can access health and services needed outside the home, particularly in rural areas or areas along county lines.

FRAMEWORK

While aging in place has always been the first choice of seniors, baby boomers are choosing this approach to aging at a rate well beyond their parents. Existing research shows that more than two-thirds of boomers want to stay in their homes as long as possible and resist the idea of moving into retirement homes, even as children and families are increasingly moving away from their parents. Beyond the social motivations for this shift, the financial benefits of aging in place have also influenced many to seek this path. According to the Genworth Cost of Care Survey 2021, the average cost of assisted living in the Lynchburg region is \$4,625 a month. In Appomattox and Campbell, 29 percent of elderly, non-family households (i.e. seniors living alone or with unrelated persons) were cost-burdened in 2019. Housing modifications become increasingly important as people age in order to assist in their adaptation to changing capacity and to maintain a sense of well-being and independence in daily life. The relationship between housing and health is especially important in very old age as older adults are more vulnerable to environmental challenges.

Designing an Aging in Place program involves at least two essential categories: Home modification and community adaptation.

Home Modification begins with an assessment by a qualified professional. Often these are people with an occupational therapy background. They walk through the home with the resident to determine their individual physical needs and how the home needs to be modified in order to accommodate those needs. The home assessment will look at current and future needs so that the plan can be put in place to ensure that the house will continue to need the changing needs of the residents. Once the modification plan is in place, the challenge is to find a qualified contractor who will be able to accomplish those modifications at a cost the homeowners can afford. Since many seniors have limited incomes, it is important to be able to find sources of subsidy that can make it possible for seniors with limited incomes to be able to take advantage of all modifications that will keep them safe. Community adaptations relate to changes in public spaces that can facilitate an ease of access to community and services. As seniors drive less, for example, there is a need to find transportation services that can take the place of self-driving. Many communities are also looking at changing their own development patterns and infrastructure to make it easier for seniors to age in place in a way that does not separate them from the community.

IMPLEMENTATION PLAN

Immediate (0-6 months):

Evaluate existing networks and leadership: Identify service providers and community leaders who are currently involved in working with seniors and would be well positioned to join a countywide Aging in Place Leadership (AIP) Team. This team would be responsible for organizing and guiding a comprehensive initiative following successful models like those in the New River Valley and the Village network model in Northern Virginia. Identify gaps: Learn where the gaps exist in housing needs and services for seniors (i.e. access to food, transportation, recreation, etc.). Map areas of concentration: Map the location of senior households in the area using tract or block-group level American Community Survey estimates to understand where concentrations exist. Evaluate survey data: Review prior surveys of senior renters and homeowners in the region to refresh the understanding of their preferences and plans with respect to housing. Update findings as needed. Seek best practices for an AIP policy: Research best practices from similar communities as to how they built AIP into policy and program decisions at the local level—for example, as a part of new developments or streetscapes.

Short-term (6-12 months):

Establish timeline and resources: Assembly a county-wide AIP Leadership Team to meet on an established basis. Develop an action plan by placing the AIP initiatives on a timeline and identify the resources needed for implementation. If resources do not permit full scale implementation, identify initiatives that can be piloted by order of priority. Develop a home-modification program: Implement a comprehensive home-modification initiative

that incorporates the following elements: Home assessments: pursue outreach to older residents to support home self-assessments as well as access to low-cost certified home assessments. Quality construction: coordinate with qualified contractors and use a construction quality control process. Financial assistance: provide financial assistance to homeowners on terms that are consistent with their ability to pay for AIP home modifications. Program navigation support: Many seniors will need a navigator/coordinator to help them through the process.

Long-term (12-24 months):

Coalition build beyond the county: Support localities in mapping and prioritizing the needs of their residents and identify areas of shared priority to be pursued at either a regional or local scale (perhaps as a pilot project if funding is limited). Ensure the CoC, regional healthcare providers, and other Strengthen capacity: Establish consistent funding sources and training programs to continue to provide a stream of home modifications services to address all levels of need. This may involve creating hub locations in rural parts of the county. Incorporate AIP in housing education and outreach: Make AIP part of follow-up housing study conversations and outreach. If a housing forum is held, make AIP one track within the event. Use the existing Homebuilders Expo, Hokie Wellness Fair, Lifelong Learning Institute, or hospitals as natural venues for disseminating relevant information.

RESPONSIBLE ACTORS

AIP leadership team, local government staff, local senior service agencies, housing and healthcare providers, counselors, housing funders, volunteers. Connecting with regional institutions and leadership can further strengthen the work of local actors.

LEGAL, FINANCIAL, AND ORGANIZATIONAL CAPACITY

As with any program where advice is being given and changes are made to the homes of seniors, it is important to carefully assess legal liability. Making sure that providers are professionally trained and certified and that contractors are properly insured are critical elements to a properly designed program. Aging in place is an extensive undertaking. It will require coordination of many agencies and organizations. One model is to create a coordinating council that provides guidance and measures impact. In the Richmond area, that organization is the Greater Richmond Age Wave—a coalition led by VCU's Gerontology Department but that includes local governments in the region as well as many housing and service providers. The AIP leadership team is the starting point for this and can be built out with other public and private sector leaders.

FUNDING SCOPE REQUIREMENTS

Because of the size of the senior population and its continuing projected growth, the funding requirements of a full-scale aging in place program may be very substantial and need to include the following components: Home assessment costs Renovation

and retrofitting costs
Builder training and certification
Financial assistance programs
Outreach and education
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Monitoring and evaluation

POTENTIAL FUNDING SOURCES

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METRICS TO EVALUATE SUCCESS

Resident tenure in their home, residents are able to stay in their homes as long as they had planned
Improvement in health conditions
Decrease in the number of injuries incurred in the home
Seniors generally experiencing better health outcomes as a result of continuing to reside in their own homes
Seniors generally happier and more satisfied as a result of access to services, entertainment cultural stimulation and socialization

PROJECTED IMPACT

The potential production and impact of these programs are also quite large. Most aging in place programs balance costs by starting very modestly with specific targeting of households and certain types of housing modifications. The program can expand from there depending on resources both financial and human.

BEST PRACTICES AND RELEVANT EXAMPLES

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Approach: The Albemarle Housing Improvement Program (AHIP) is a 30-year-old housing organization located in Albemarle County, Virginia. Over the last decade, AHIP has evolved into an agency that primarily serves seniors with a range of services to help them stay in their homes longer. Seniors Safe at Home sets out to make sure that no senior citizen must wait for a critical home repair while helping them preserve assets and age in place. The types of repairs vary and include heating/cooling, roof leaks, stair and porch repair, kitchen and bath accessibility, plumbing and electrical problems, and issues with well and septic systems.

Outcomes: In 2016, this program helped 98 senior citizens with repairs and rehabs, or 53% of AHIP's clients- as of 2021, the number of seniors rose to 66% of their total rehab participants. AHIP uses a variety of funding sources; however, the largest share of its support comes from the City of Charlottesville and Albemarle County. Both of these jurisdictions use local and HUD funds to support AHIP's work. AHIP also raises a substantial amount of charitable funding every year from corporate and philanthropic sources as well as individuals.

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Approach: The Village movement began in the United States nearly 20 years ago. There are now more than 220 Village programs across the country and at least 10 operating in Virginia (primarily in Northern Virginia). The program is based on the idea of volunteerism. Seniors in the community join and form a nonprofit organization with a modest annual fee, and most organizations hire a coordinator who helps the members find services such as in-home care, handyman help, drivers, and meal delivery.

Frequently, other members of the community will volunteer to help individuals who are a part of the village. For example, a young person in the neighborhood might be willing to mow a lawn, rake leaves, clean gutters, take out the trash, or change a ceiling light bulb for a senior resident.

College Service Project: Appalachia Service Project

Approach: The College Service Project (CSP) is a student- led campus-based organization that affiliates each of its chapters with the Appalachia Service Project (ASP). The CSP follows the ASP model for home repair projects in their local communities. College students and other volunteers make critical repairs on homes and build new homes when current dwellings are beyond repair. More than 15,000 volunteers give their time to repair and build homes with the Appalachia Service Project. This model could be replicated with any number of the colleges located within 100 miles of Appomattox.

Outcome(s): In the fifty two years since the Appalachia Service Project's founding in 1969, over 400,000 volunteers have repaired nearly 20,000 homes. Not only does the service

create safer living situations for rural families in Appalachia, it also establishes meaningful relationships between repair staff and homeowners. Likewise, youth and adult volunteers gain experience and confidence to make important home repairs.

10.1.2 Attract and incentivize developers to build lower-cost homes and increase housing diversity

Issue: A shortage of building construction and specialty trade contractors across the region is a major constraint on construction of new housing, and there is a lack of variety to meet residents' lifestyles and budgets.

The region faces greater demand for housing than can be supplied by the current array of developers, particularly dedicated affordable housing produced by nonprofits and other mission-driven organizations. One-person homeowners households are increasing in Appomattox, indicating changes in family structures in the county.

Solution: Invest in and support the growth of affordable developers and builders, and reevaluate development regulations to allow for greater density and diversity of housing.

Attracting and incentivizing developers who can deliver lower-cost options requires a combination of financial, regulatory, and technical support. Furthermore, increasing housing choice diversity is important for promoting equitable and inclusive communities, reducing segregation and discrimination, and providing a range of housing options for people with different incomes, backgrounds, and lifestyles.

FRAMEWORK

A combination of efforts are required to address the issue of affordable housing supply-chain. Appomattox County can explore ways to align development regulations with their desire to address housing that is more accessible and affordable to young families, seniors, and modest-income households. This can include streamlining the development process, offering zoning and land use incentives, providing financial support, and increasing technical programs and assistance to navigate the unique requirements of affordable housing. Through strategic implementation of these tactics, it is possible to create an environment that is attractive and conducive for developers to contribute meaningfully to housing diversity and affordability, and to minimize obstacles preventing affordable housing development.

IMPLEMENTATION PLAN

Immediate (0-6 months):

Establish a task force comprising housing experts, developers, local government representatives, and community stakeholders. This body will analyze current housing policies,

evaluate existing regulation and identify barriers, and determine what incentives would most effectively attract developers. Initiate open dialogues with potential private developer partners to better understand their hesitations and needs concerning affordable housing projects. This information will guide the task force in designing appealing incentive packages. Develop a blueprint for a technical assistance program, which will offer guidance on navigating regulatory hurdles and securing funding for affordable housing projects.

Short-term (6-12 months):

Roll out chosen financial incentives, which could include a combination of property tax abatements, density bonuses, low-interest loans, or grants to developers undertaking affordable housing projects depending on identified need and impact. Execute regulatory reforms, including a streamlined development approval process, relaxation of zoning laws to accommodate diverse housing types, and a fast-tracked review process for affordable housing proposals. Launch the technical assistance program, offering training sessions and resources to assist developers in understanding and overcoming the complexities of affordable housing development.

Long-term (12-24 months):

Develop public-private partnership frameworks and attract new private entities to participate in affordable housing projects. Continually monitor the effectiveness of all implemented measures, modifying strategies as necessary based on outcomes and feedback.

RESPONSIBLE ACTORS AND ROLES

Public entities, private developers, and non-profit organizations will all have roles. Public entities will provide policy guidance and be responsible for executing any chosen regulatory reforms. Private developers will bring in the required building expertise, efficiency, and scalability. Non-profit organizations can assist in community engagement, offering local knowledge and fostering support for affordable housing projects.

LEGAL, FINANCIAL, AND ORGANIZATIONAL CAPACITY

The task force will review state and local codes to identify legal barriers, along with assessing fiscal and staff capacities of relevant actors. Solutions will be designed in compliance with legal structures and in consideration of the financial capacity of involved entities.

FUNDING SCOPE REQUIREMENTS

Funding requirements will depend on the scale of the implementation. Initial costs will be associated with establishing the task force, designing incentive packages, and setting up the technical assistance program. Long-term operational costs will include maintaining partnerships, managing programs, and funding financial incentives.

POTENTIAL FUNDING SOURCES

Government Funding: Federal grants such as the HOME Investment Partnerships Program or the Community Development Block Grant (CDBG) program HUD's Thriving Communities Technical Assistance (TCTA) Program helps localities to address their housing needs, including addressing regulatory and procedural reforms Targeted grants for housing planning efforts are available from DHCD and the Appalachian Regional Commission. The Virginia Housing Trust Fund (VHTF) provides loans with low-interest rates for affordable housing projects **Public-Private Partnerships (PPP):** Private sector entities often participate in affordable housing development through PPP arrangements. The private sector brings in capital and operational efficiency, while the public sector can offer incentives like tax breaks, land, or eased regulatory requirements. Low-Income Housing Tax Credits (LIHTC) can be one example of this type of partnership. **Philanthropic Resources:** The Virginia Housing Development Authority (VHDA) Capacity Building and Community Impact Grant programs could help fund technical assistance efforts and development planning

METRICS TO EVALUATE SUCCESS

Number of affordable housing units developed
Uptake of financial incentives by developers
Efficiency of the regulatory approval process
Increase in housing types
Number of new affordable developers in the county

PROJECTED IMPACT

With a well-executed plan, this approach could substantially increase affordable housing availability and diversity within the state over the next few years.

RELEVANT EXAMPLES

City of Arlington - Affordable Housing Investment Fund (AHIF)

Approach: The city of Arlington has expanded affordable housing by providing low-interest loans to developers through AHIF, introduced bonus density provisions, and actively involved communities in decision-making processes.

Outcomes: The program has enabled the majority of the approximately 8,300 rental units approved throughout the County that help provide homes for low- and moderate-income households, including specialized housing for the elderly, the homeless, or persons.

Austin, Texas - Small Developer Training Program

Approach: The Small Developer Training Program is launching this year and aims to boost the availability of affordable housing in Austin by equipping small-scale developers with the necessary skills and knowledge. The comprehensive education initiative is organized by HousingWorks Austin and includes small scale development strategies and insights into the regulatory environment to enable smoother planning and approval processes.

10.2 Secondary Solutions

10.2.1 Complete needed water and sewer infrastructure projects

Issue: The cost and time needed to create new infrastructure that meets regulation is a major barrier to new development

The City of Lynchburg and surrounding areas require additional water and sewer infrastructure to accommodate growth that includes new residential and commercial development. Concurrently, many county residents seek to ensure that the attractive rural, small-town character of much of the area is preserved. These sometimes conflicting needs mean that infrastructure is often an important fulcrum of housing development.

Solution: Address water and sewer needs via strategic infrastructure planning and financing

Managing the timing of water and sewer infrastructure necessary for new housing development requires sophistication and a range of funding sources and strategies. Comprehensively aligning residential development and infrastructure planning will attract and encourage growth into areas where new infrastructure is planned.

BACKGROUND

Approximately 266 customers in Appomattox County (including town) get water from Campbell County Utilities and Service Authority (CCUSA) [link]. CCUSA water is self-sourced from Big Otter River, plus connections with the City of Lynchburg. The Campbell County comprehensive plan is silent on future plans for CCUSA service to Appomattox.

In 2020, Campbell County and the City of Lynchburg filed suit against Appomattox County and Nelson County after those jurisdictions voted against the release of excess revenues generated by the regional landfill [link]. Campbell County subsequently voted to terminate its water purchase agreement with Appomattox County. This agreement is effective through 2030. If no further action is taken, Appomattox County must find alternative water sources by that date [link]. HFV became aware of this specific situation while finishing the draft of these solutions. The litigation was not mentioned by participants in the kick-off meetings and focus groups. Therefore, HFV recommends tabling this solution until further discussions take place with county staff and other stakeholders. HFV will work with CVPDC and the county to identify and draft alternative recommendations on this topic or other related issue.

11 Bedford County

11.1 Primary Solutions

11.1.1 Increase capacity and impact of Bedford Housing Coalition

Bedford County

Issue: Current efforts to coordinate and advocate for housing may not be sufficient to address quickly growing needs

The Bedford Area Resource Council manages the Bedford Housing Coalition, a group of practitioners and advocates involved in housing, homelessness, and social services. The Coalition meets regularly to provide updates, discuss challenges, and identify opportunities to improve housing outcomes for Bedford residents. However, accelerating demand for housing in the county—coupled with the limited ability of existing lower-income residents to absorb rising costs—is destabilizing more and more households. Furthermore, these same trends are now worrying employers and economic development officials, as workers across the wage scale look for other opportunities in more affordable areas. Today, Coalition members and other community stakeholders are very concerned about the county's future if action is not taken soon.

SOLUTION: Conduct a strategic assessment among the Coalition and allied stakeholders for increasing ability to educate leaders and the public on the importance of housing

FRAMEWORK

The Coalition and its network are a strong foundation for effective advocacy, but members have noted that the Coalition is under-resourced and members have full-time positions elsewhere that take precedence. Formalizing the Coalition into a nonprofit organization and expanding participation to include those outside housing, homelessness, and social services can help to increase visibility and support of the Coalition's mission to "educate, collaborate, and advocate to increase and improve affordable housing opportunities in Bedford County." Increased participation from employers and economic development staff can potentially help to bring private sector funding to support the Coalition. Workforce housing has become a rallying point across the political spectrum and there have been emerging campaigns across the Commonwealth to learn from. With increased funding and formalization, Bedford Housing Coalition, or simply the Bedford Area Resource

Council, can hire a full-time staff member to help advance the mission of the network. This would reduce the burden on volunteer members of the Coalition and Council, and would ensure that the challenges and opportunities identified by the Coalition can be addressed effectively.

IMPLEMENTATION

Immediate:

Invite business leaders and economic development professionals to join the Bedford Housing Coalition. Discuss with the BARC Steering Committee the potential to formalize the network into a standalone nonprofit organization.

Short-term:

Explore funding opportunities to support sustainability of BARC, or Bedford Housing Coalition, as a nonprofit organization. Explore funding opportunities to hire a consultant for organizational development and strategic planning.

Mid-term:

Evaluate the ability of the Coalition to hire a consultant to assist in the development of housing campaign. Consider launching a campaign around workforce housing to reach a broad spectrum of people.

LEGAL, FINANCIAL, AND ORGANIZATIONAL CAPACITY

There are no legal boundaries preventing the formation of a standalone nonprofit. Current members of the BARC Steering Committee and/or Bedford Housing Coalition would likely serve as nonprofit board members. Financial requirements to hire consultants, stand up a nonprofit organization, and launch a housing campaign will be significant. Capacity of existing members will be limited.

FUNDING SCOPE REQUIREMENTS AND PROJECTED IMPACT

The scope of funds required is dependent on the path that Bedford Housing Coalition and Bedford Area Resource Council chooses. Organizational development and sustainability, as well as a housing campaign, can be costly. The impact of an organization whose sole purpose is to address housing challenges in the county and advocate for residents cannot be easily quantified. An organization with representation from a broad spectrum of stakeholders, however, can have substantial influence on policymaking and decision-making.

POTENTIAL FUNDING SOURCES

Private sources: Philanthropic and corporate partners are likely to be the largest supporters of nonprofit organizations addressing housing advocacy and education, including The Bedford Community Health Foundation, Greater Lynchburg Community Foundation, and United Way of Central Virginia, and Centra.

METRICS TO EVALUATE SUCCESS

If choosing to launch a housing campaign, measure the collective impact of the campaign by asking nonprofit and private organizations to “sign on” to the effort as supporters; track total signatories by quarter. Set goals by audience type. If choosing to create a nonprofit, donations and sponsorship can be key indicators of growing success and impact. The number of donors; overall dollars received; etc. can help quantify success and reach.

RESPONSIBLE ACTORS AND THEIR ROLES

Bedford Housing Coalition members will be responsible for elevating this issue to the Bedford Area Resource Council and advocating for formalization and/or launching a housing campaign. Consulting firms like The Spark Mill or organizations like the Center for Nonprofit Excellence may assist in exploring nonprofit organizational development.

11.1.2 Attract and incentivize developers to build lower-cost homes and increase housing diversity

Issue: Bedford County faces greater housing demand than can be supplied by developers working under the current regulatory and economic status quo

While this demand exists across the whole housing spectrum, particularly absent are lower-cost ownership options that would be more affordable to existing residents. These include essential workers like teachers and nurses. County land use regulations, along with a shortage of construction and specialty trade contractors across the region, are a major constraint on creation of new lower-cost housing.

Solution: Reorient county regulations and resources to support developers who can deliver housing options affordable to current residents

A combination of efforts to increase the supply of lower-cost homes include but are not limited to: streamlining the development process, offering zoning and land use incentives, providing financial support, and increasing technical programs and assistance to navigate the development process.

FRAMEWORK

Attracting and incentivizing developers who can deliver lower-cost options requires a combination of financial, regulatory, and technical support. To accomplish this, Bedford County should pursue the following recommendations. Monitor and amend permit fees as needed In May 2023, the Board of Supervisors approved increases to county building permit fees per staff recommendations. Staff completed an analysis to compare the county to peer jurisdictions and proposed increases that would keep Bedford regionally competitive while still providing needed revenue to support the services rendered. [Bedford County - Building Permit Fee Changes - #R 052223-02] [insert table of fee changes]

Staff should develop monitoring criteria to evaluate if/how these changes affect residential development patterns in the county. For the purposes of this solution, staff can focus analysis on single-family homes only. (See "Metrics to Evaluate Success" below.) Should staff determine that the new fee structure is limiting desired development types (for any reason), potential remedies include: Reducing certain fees back to previous levels (or other alternative amount), for certain building types or values, Increasing certain fees for "high end" residential construction, and/or Offering partial or full fee waivers or rebates. To encourage smaller, more affordable homes, these remedies could be made available only to certain building types, sizes, or values. For example, the county may lower the permit fee to the previous 0.12 cent per square foot for homes no larger than 2,000 square feet. Incentives for creative single-family development options Reach out to and identify potential builders for innovative single-family development styles. These designs should focus on lower cost via density, material type, construction method, and other factors that can reduce prices without public subsidy. Possible approaches include: Modular or higher-end manufactured home subdivisions, Cluster development of small cottage-style homes, and Condo units in duplex or similarly small multifamily structures. The most appropriate mechanisms to encourage each of those options will vary based on the county's vision and priorities. Generally, however, strategies to incentivize such projects may include: Pre-approved designs: Develop a "pattern book" of pre-approved designs eligible for accelerated and/or reduced permits and fees. The county can establish certain desired criteria (size, materials, style, etc.) in those plans that align with broader county development goals. Discounted land: Proactively identify and market any surplus land already owned by the county or school board, with the condition that it be developed into the desired lower-cost housing types. Builder grants: Provide funds to builders to cover certain planning and development costs (site plans, architectural drawings, environmental review, etc.) if the project includes lower-cost homes. Homebuyer grants: Virginia localities do not have the power to provide real estate tax exemptions or abatements based solely on a home's size, price, or other features. However, the county could consider a de facto abatement by offering multi year "grants" to buyers of lower-cost homes that partially or fully offset their real estate tax. Optional density increases: Establish voluntary density bonuses within certain zoning districts that are available to projects that include a certain share (or entire share) of smaller and lower-cost single-family homes. (Also evaluate the efficacy of residential cluster options currently included in the county's zoning ordinance, and amending as needed to promote less expensive homes.)

IMPLEMENTATION PLAN

Immediate:

Examine building permit data from recent years to determine the current distribution of sizes (square footage and bedrooms), lot areas (acres), and sales prices for new single-family homes. Identify particular builders (if any) who have been delivering relatively affordable products. Conduct outreach (interviews, focus groups, etc.) to determine what

barriers currently prevent them from building more modestly-priced homes. Establish process to monitor changes in development trends following permit fee changes.

Short-term:

Proactively share permit trends with county leadership and make them aware of any potential changes in developer behavior and proposed projects. If needed, begin projecting possible updates to permit fees to incentivize lower-cost housing production. Estimate potential changes in county revenue. Determine what kinds of lower-cost single-family development to prioritize with incentives. (For example, small site-built subdivisions, or infill modular homes, etc.) Create definition(s) with stakeholder input to be used in policy and program language. Select specific incentive strategies (as described above) and draft guidance that aligns with preferred development type(s).

Long-term:

Propose incentive packages to stakeholders and county leaders, gather and incorporate feedback, and implement upon approval. Conduct education and outreach to developers to encourage their participation in the incentive programs. Establish and track metrics to measure how successful the incentives are.

RESPONSIBLE ACTORS AND THEIR ROLES

County staff: Monitor and amend fee schedule as needed, initiate stakeholder outreach, evaluate and draft incentive program options, and provide updates and recommendations to county leadership. Board of supervisors and planning commission: Evaluate and approve staff proposals, make recommendations, establish high-level objectives and direction for incentive programs.

LEGAL, FINANCIAL, AND ORGANIZATIONAL CAPACITY

Legal: Virginia state code (§ 15.2-958.4) grants local governments the power to waive certain fees for affordable housing. Localities must define "what constitutes affordable housing" in an ordinance, which may also include certain conditions and exceptions. The state does not appear to place restrictions on how permit fees are structured, so long as any changes are approved by ordinance. For example, the county may in theory establish tiered fee rates for different types of single-family construction. A more formal legal opinion from the county attorney may be beneficial. Financial: Much of the tasks described above do not incur necessary costs beyond additional staff time. However, any changes to the county fee schedule will directly affect revenues. Depending on circumstances and context, potential fee changes to achieve the goals in this solution could be structured as revenue neutral if reductions in certain fees are paired with commensurate fee increases on other development activities. Possible builder and homebuyer grants do require direct allocation of county funds, since the appropriate indirect tax exemption mechanisms are not allowed under state law. Organizational: Staff's recent research and work to propose permit fee changes provides them with very helpful knowledge about the relationships between those costs and the residential development market. However,

additional staff resources and/or outside consultants will likely be required to thoroughly investigate and propose incentive programs described in this solution.

FUNDING SCOPE REQUIREMENTS

No upfront money is required for any potential fee changes; associated fiscal impacts would occur subsequently. To be effective, builder grants for predevelopment costs should likely start around a few thousand dollars per award. Homebuyer grants to offset real estate taxes can also vary depending on program design. Input variables the county can control include: Real estate tax rate (\$0.41 per \$100) Assessed value of homes eligible for grant Share of annual tax amount to be reimbursed (e.g., 50 percent, up to certain fixed amount, etc.) Length of rebate in years Number of homes eligible for program in given year (or, participation is unlimited) POTENTIAL FUNDING SOURCES Along with unrestricted general fund revenue, some or all revenue from any future permit fee increases could be set aside for financial development incentives reserved for new lower-cost homes.

METRICS TO EVALUATE SUCCESS

Average lot size of new single-family units Average finished square footage of new single-family units Average sales price of new single-family units Number of homeowners below 100% or 80% AMI

EXAMPLES

The Charlottesville Homeowner Assistance Program (CHAP) is the only known local initiative in Virginia to provide direct grants to homeowners to offset real estate tax costs. Charlottesville's program is targeted to long-term homeowners with low incomes facing potential displacement pressures. Although this policy goal is very different, the program demonstrates how localities can offer tax relief without a formal exemption or abatement.

Numerous localities in Virginia use progressive permit fee rates based on the estimated home valuation. Examples include: The City of Lynchburg [link] Roanoke County [link] Rockbridge County [link]

11.2 Secondary Solutions

11.2.1 Provide support for the aging population

Issue: A growing number of seniors require homes and services to support their mobility status and health needs

Locally and nationally, an increasing number of older adults are choosing to "age in place" (AIP) and stay in their own homes and communities for as long as possible. Across the

region, the senior population grew by 9,021 individuals from 2012 to 2021, with an increase of over 900 seniors living alone in this period for Bedford alone. Bedford also experienced a 56 percent increase of renters 65 years old and over. Solution: Adopt and implement an AIP framework to address essential home modifications and community adaptations.

Solutions include finding and/or training regional developers capable of retrofitting existing homes and building new patio-style housing that address accessibility needs. This work must be intentionally built into development patterns and transportation infrastructure to ensure seniors can access health and services needed outside the home, particularly in rural areas or areas along county lines.

FRAMEWORK

While aging in place has always been the first choice of seniors, baby boomers are choosing this approach to aging at a rate well beyond their parents. Existing research shows that more than two-thirds of boomers want to stay in their homes as long as possible and resist the idea of moving into retirement homes, even as children and families are increasingly moving away from their parents. Beyond the social motivations for this shift, the financial benefits of aging in place have also influenced many to seek this path. According to the Genworth Cost of Care Survey 2021, the average cost of assisted living in the Lynchburg region is \$4,625 a month. Housing modifications become increasingly important as people age in order to assist in their adaptation to changing capacity and to maintain a sense of well-being and independence in daily life. The relationship between housing and health is especially important in very old age as older adults are more vulnerable to environmental challenges. Designing an Aging in Place program involves at least two essential categories: Home modification and community adaptation. Home Modification begins with an assessment by a qualified professional. Often these are people with an occupational therapy background. They walk through the home with the resident to determine their individual physical needs and how the home needs to be modified in order to accommodate those needs. The home assessment will look at current and future needs so that the plan can be put in place to ensure that the house will continue to need the changing needs of the residents. Once the modification plan is in place, the challenge is to find a qualified contractor who will be able to accomplish those modifications at a cost the homeowners can afford. Since many seniors have limited incomes, it is important to be able to find sources of subsidy that can make it possible for seniors with limited incomes to be able to take advantage of all modifications that will keep them safe. Community adaptations relate to changes in public spaces that can facilitate an ease of access to community and services. As seniors drive less, for example, there is a need to find transportation services that can take the place of self-driving. Many communities are also looking at changing their own development patterns and infrastructure to make it easier for seniors to age in place in a way that does not separate them from the community.

IMPLEMENTATION PLAN

Immediate (0-6 months):

Evaluate existing networks and leadership: Identify service providers and community leaders who are currently involved in working with seniors and would be well positioned to join a countywide Aging in Place Leadership (AIP) Team. This team would be responsible for organizing and guiding a comprehensive initiative following successful models like those in the New River Valley and the Village network model in Northern Virginia. Identify gaps: Learn where the gaps exist in housing needs and services for seniors (i.e. access to food, transportation, recreation, etc.). Map areas of concentration: Map the location of senior households in the area using tract or block-group level American Community Survey estimates to understand where concentrations exist. Evaluate survey data: Review prior surveys of senior renters and homeowners in the region to refresh the understanding of their preferences and plans with respect to housing. Update findings as needed. Seek best practices for an AIP policy: Research best practices from similar communities as to how they built AIP into policy and program decisions at the local level—for example, as a part of new developments or streetscapes.

Short term (next 12 months):

Establish timeline and resources: Assembly a county-wide AIP Leadership Team to meet on an established basis. Develop an action plan by placing the AIP initiatives on a timeline and identify the resources needed for implementation. If resources do not permit full scale implementation, identify initiatives that can be piloted by order of priority. Develop a home-modification program: Implement a comprehensive home-modification initiative that incorporates the following elements: Home assessments: pursue outreach to older residents to support home self-assessments as well as access to low-cost certified home assessments. Quality construction: coordinate with qualified contractors and use a construction quality control process. Financial assistance: provide financial assistance to homeowners on terms that are consistent with their ability to pay for AIP home modifications. Program navigation support: Many seniors will need a navigator/coordinator to help them through the process.

Long-term (12-24 months):

Coalition build beyond the county: Support localities in mapping and prioritizing the needs of their residents and identify areas of shared priority to be pursued at either a regional or local scale (perhaps as a pilot project if funding is limited). Ensure the CoC, regional healthcare providers, and other Strengthen capacity: Establish consistent funding sources and training programs to continue to provide a stream of home modifications services to address all levels of need. This may involve create hub locations in rural parts of the county. Incorporate AIP in housing education and outreach: Make AIP part of follow-up housing study conversations and outreach. If a housing forum is held, make AIP one track within the event. Use the existing Homebuilders Expo, Hokie Wellness Fair, Lifelong Learning Institute, or hospitals as natural venues for disseminating relevant information.

RESPONSIBLE ACTORS

AIP leadership team, local government staff, local senior service agencies, housing and healthcare providers, counselors, housing funders, volunteers. Connecting with regional institutions and leadership can further strengthen the work of local actors.

POTENTIAL FUNDING SOURCES

Many traditional affordable housing funding sources can also be accessed to assist lower income seniors with aging in place. Most of these programs are means tested and only available to seniors with incomes below 80% of AMI and in many cases, less than 50% AMI. These include: State and federal grant programs: Funding programs through the DHCD, HUD, the United States Department of Agriculture (USDA), and Virginia Housing exist that may serve the housing needs of seniors; however, these sources have significant limiting factors to serving effectively for home modification needs. CDBG funds, distributed by DHCD, may be used for a wider variety of housing, community and economic development activities. These funds could be used to make home modifications or repairs as well as make community adaptations. Medicaid and Medicare: The Commonwealth Coordinated Care Plus (CCC Plus) is a Medicaid managed long-term services and support program that includes some minor home modification services for qualifying seniors. Medicare and Medicaid reimbursement rules are also providing strong incentives for health care institutions to address the housing status of their patients. This could include partnering for home modification initiatives—especially those in which trained occupational therapy professionals can evaluate home conditions and make recommendations. Nonprofit assistance: Local affordable housing providers like Habitat for Humanity have demonstrated experience providing home modifications. The Southeast Rural Community Assistance Project, (SERCAP) Aging in Place program, based in Roanoke, provides support services to help individuals who wish to continue living at home despite health setbacks, including adaptive design solutions for homeowners. Aging in place, however, is not a unique need for lower income seniors. Many seniors with significant retirement income as well as substantial home equity are also in need of AIP assistance. Any AIP program in the region/the AIP leadership team should recognize this and make access to programs and services available on a market rate basis, and connect local developers with the tools to succeed in providing the best fit for buyers.

RELEVANT EXAMPLES AND BEST PRACTICES

Albemarle Housing Improvement Program (AHIP) - Seniors Safe at Home

Approach: The Albemarle Housing Improvement Program (AHIP) is a 30-year-old housing organization located in Albemarle County, Virginia. Over the last decade, AHIP has evolved into an agency that primarily serves seniors with a range of services to help them stay in their homes longer. Seniors Safe at Home sets out to make sure that no senior citizen must wait for a critical home repair while helping them preserve assets and age in place. The types of repairs vary and include heating/cooling, roof leaks, stair and porch

repair, kitchen and bath accessibility, plumbing and electrical problems, and issues with well and septic systems.

Outcomes: In 2016, this program helped 98 senior citizens with repairs and rehabs, or 53% of AHIP's clients- as of 2021, the number of seniors rose to 66% of their total rehab participants. AHIP uses a variety of funding sources; however, the largest share of its support comes from the City of Charlottesville and Albemarle County. Both of these jurisdictions use local and HUD funds to support AHIP's work. AHIP also raises a substantial amount of charitable funding every year from corporate and philanthropic sources as well as individuals.

11.2.2 Attract and retain public sector talent with housing assistance

Issue: Rising housing costs and limited options now impact localities' ability to attract and secure talented workers

Participants in focus groups and local government meetings shared examples of recent housing challenges faced by new hires and prospects for local government positions. These workers now have trouble finding a home at an affordable price and in the community they will serve. As a result, localities are finding it more difficult to maintain staffing and implement new initiatives across all functions of government. In Bedford, the median household income for homeowners fluctuated between \$71,000 and \$77,000 between 2010 and 2020, above the national average salary for teachers and government employees (which hovered around \$60,000 in the same period). [see BLS analysis]

Solution: Provide new and current employees with financial (and other forms of) housing assistance

Ways to keep local government workers and attract new talent to live and work in the region include employee down payment assistance (currently used by Henrico County, Chapel Hill, and more places), rental location services, and other programs. This solution would identify and map out specific options a local government may want to pursue.

FRAMEWORK

Keeping new and existing employees in the community can be difficult when the housing market is not keeping pace with wages. Employee turnover can be challenging for local governments, resulting in the loss of institutional knowledge and established relationships, and a significant time and resources to orient new employees. By providing assistance in finding housing or even offering financial assistance, local governments can better attract and retain public sector talent. This can include housing subsidies, partnerships with housing developers, flexible housing loans, and relocation assistance to remove housing barriers and improve the attractiveness of public sector employment.

IMPLEMENTATION

Immediate (0-6 months):

Establish a dedicated team consisting of public sector HR personnel, housing policy experts, and finance professionals. The team will conduct a comprehensive study to understand the specific housing challenges faced by public sector employees. Begin negotiations with real estate developers and financial institutions for potential collaborations. Draft a preliminary design of comprehensive housing assistance programs tailored to meet the housing needs of public sector employees.

Short-term (6-12 months):

Implement a direct housing subsidy program that provides monthly financial aid to those employees spending more than a set percentage of their income on housing costs. Finalize partnerships with developers for priority access or reduced rates on specific housing projects, and with financial institutions to provide flexible housing loans with preferential terms to public sector employees. Initiate a relocation assistance program that helps to offset the moving expenses for employees relocating due to job requirements.

Long-term (12-24 months):

Continuously monitor, review, and refine the assistance programs to ensure they effectively address the housing needs of public sector employees. As necessary, expand the network of partnerships to provide a wider range of housing options and financial assistance.

RESPONSIBLE ACTORS AND ROLES

The County Housing Department/Authority typically administers the program, setting guidelines, processing applications, determining eligibility, and providing financial assistance. Public Employers, especially in programs targeting government employees, play a critical role in promoting the program to employees and providing necessary information. Financial Institutions that provide mortgage loans often collaborate with these programs, considering the assistance provided in loan evaluations and handling the disbursement of funds. Real Estate Agents and Developers play a significant role in promoting the program and assisting in locating qualifying homes.

POTENTIAL FUNDING SOURCES

The programs can be funded through the budgets of public sector agencies, state and federal grants designed for workforce housing and talent retention, contributions from partnered developers, and low-cost loans from financial institutions. Exploring public-private partnerships can also provide innovative funding solutions.

RELEVANT EXAMPLES AND BEST PRACTICES

Live Where You Work: Arlington County

Approach: The county offers grant assistance toward the purchase of a residence in Arlington County for eligible government workers. Funding comes through general funds,

and there are a number of restrictions on who can qualify and what types of housing they can put funds towards.

Outcomes: Around 25 grants have been made between 2021 and 2022 to help employees attain competitive home prices, with an average grant amount around \$11,000.

Public Employee Homeownership Grant Program (PHEGP): Loudoun County Approach: The PHEGP in Loudoun County provides down payment and closing cost assistance to employees of the Loudoun County Government, Loudoun County Public Schools, and Loudoun Water who are first-time homebuyers in the county. The program aims to make homeownership more affordable for these employees, promoting community stability and reducing the commute times for public employees.

Outcomes: Over 118 Public Employees have been assisted through FY 2020, including county workers and public teachers, with the average household income for assisted households at \$62,853.

12 Campbell County

12.1 Primary Solutions

12.1.1 Provide support for the aging population

Issue: A growing number of seniors require homes and services to support their mobility status and health needs

Locally and nationally, an increasing number of older adults are choosing to "age in place" (AIP) and stay in their own homes and communities for as long as possible. Across the region, the senior population grew by 9,021 individuals from 2012 to 2021. Campbell had the largest increase in seniors living alone from 2012 to 2021 (+1,241). Solution: Adopt and implement an AIP framework to address essential home modifications and community adaptations.

Solutions include finding and/or training regional developers capable of retrofitting existing homes and building new patio-style housing that address accessibility needs.

This work must be intentionally built into development patterns and transportation infrastructure to ensure seniors can access health and services needed outside the home, particularly in rural areas or areas along county lines.

FRAMEWORK

While aging in place has always been the first choice of seniors, baby boomers are choosing this approach to aging at a rate well beyond their parents. Existing research shows that more than two-thirds of boomers want to stay in their homes as long as possible and resist the idea of moving into retirement homes, even as children and families are increasingly moving away from their parents. Beyond the social motivations for this shift, the financial benefits of aging in place have also influenced many to seek this path. According to the Genworth Cost of Care Survey 2021, the average cost of assisted living in the Lynchburg region is \$4,625 a month. Housing modifications become increasingly important as people age in order to assist in their adaptation to changing capacity and to maintain a sense of well-being and independence in daily life. The relationship between housing and health is especially important in very old age as older adults are more vulnerable to environmental challenges. Designing an Aging in Place program involves at least

two essential categories: Home modification and community adaptation. Home Modification begins with an assessment by a qualified professional. Often these are people with an occupational therapy background. They walk through the home with the resident to determine their individual physical needs and how the home needs to be modified in order to accommodate those needs. The home assessment will look at current and future needs so that the plan can be put in place to ensure that the house will continue to need the changing needs of the residents. Once the modification plan is in place, the challenge is to find a qualified contractor who will be able to accomplish those modifications at a cost the homeowners can afford. Since many seniors have limited incomes, it is important to be able to find sources of subsidy that can make it possible for seniors with limited incomes to be able to take advantage of all modifications that will keep them safe. Community adaptations relate to changes in public spaces that can facilitate an ease of access to community and services. As seniors drive less, for example, there is a need to find transportation services that can take the place of self-driving. Many communities are also looking at changing their own development patterns and infrastructure to make it easier for seniors to age in place in a way that does not separate them from the community.

IMPLEMENTATION PLAN

Immediate (0-6 months):

Evaluate existing networks and leadership: Identify service providers and community leaders who are currently involved in working with seniors and would be well positioned to join a countywide Aging in Place Leadership (AIP) Team. This team would be responsible for organizing and guiding a comprehensive initiative following successful models like those in the New River Valley and the Village network model in Northern Virginia. Identify gaps: Learn where the gaps exist in housing needs and services for seniors (i.e. access to food, transportation, recreation, etc.). Map areas of concentration: Map the location of senior households in the area using tract or block-group level American Community Survey estimates to understand where concentrations exist. Evaluate survey data: Review prior surveys of senior renters and homeowners in the region to refresh the understanding of their preferences and plans with respect to housing. Update findings as needed. Seek best practices for an AIP policy: Research best practices from similar communities as to how they built AIP into policy and program decisions at the local level—for example, as a part of new developments or streetscapes.

Short term (6-12 months):

Establish timeline and resources: Assembly a county-wide AIP Leadership Team to meet on an established basis. Develop an action plan by placing the AIP initiatives on a timeline and identify the resources needed for implementation. If resources do not permit full scale implementation, identify initiatives that can be piloted by order of priority. Develop a home-modification program: Implement a comprehensive home-modification initiative that incorporates the following elements: Home assessments: pursue outreach to older

residents to support home self-assessments as well as access to low-cost certified home assessments. Quality construction: coordinate with qualified contractors and use a construction quality control process. Financial assistance: provide financial assistance to homeowners on terms that are consistent with their ability to pay for AIP home modifications. Program navigation support: Many seniors will need a navigator/coordinator to help them through the process.

Long-term (12-24 months):

Coalition build beyond the county: Support localities in mapping and prioritizing the needs of their residents and identify areas of shared priority to be pursued at either a regional or local scale (perhaps as a pilot project if funding is limited). Ensure the CoC, regional healthcare providers, and other Strengthen capacity: Establish consistent funding sources and training programs to continue to provide a stream of home modifications services to address all levels of need. This may involve create hub locations in rural parts of the county. Incorporate AIP in housing education and outreach: Make AIP part of follow-up housing study conversations and outreach. If a housing forum is held, make AIP one track within the event. Use the existing Homebuilders Expo, Hokie Wellness Fair, Lifelong Learning Institute, or hospitals as natural venues for disseminating relevant information.

RESPONSIBLE ACTORS

AIP leadership team, local government staff, local senior service agencies, housing and healthcare providers, counselors, housing funders, volunteers. Connecting with regional institutions and leadership can further strengthen the work of local actors.

LEGAL, FINANCIAL, AND ORGANIZATIONAL CAPACITY

As with any program where advice is being given and changes are made to the homes of seniors, it is important to carefully assess legal liability. Making sure that providers are professionally trained and certified and that contractors are properly insured are critical elements to a properly designed program. Aging in place is an extensive undertaking. It will require coordination of many agencies and organizations. One model is to create a coordinating council that provides guidance and measures impact. In the Richmond area, that organization is the Greater Richmond Age Wave—a coalition led by VCU's Gerontology Department but that includes local governments in the region as well as many housing and service providers. The AIP leadership team is the starting point for this and can be built out with other public and private sector leaders.

FUNDING SCOPE REQUIREMENTS

Because of the size of the senior population and its continuing projected growth, the funding requirements of a full-scale aging in place program may be very substantial and need to include the following components: Home assessment costs Renovation and retrofitting costs Builder training and certification Financial assistance programs Outreach and education Program administration Monitoring and evaluation

POTENTIAL FUNDING SOURCES

Many traditional affordable housing funding sources can also be accessed to assist lower income seniors with aging in place. Most of these programs are means tested and only available to seniors with incomes below 80% of AMI and in many cases, less than 50% AMI. These include: State and federal grant programs: Funding programs through the DHCD, HUD, the United States Department of Agriculture (USDA), and Virginia Housing exist that may serve the housing needs of seniors; however, these sources have significant limiting factors to serving effectively for home modification needs. CDBG funds, distributed by DHCD, may be used for a wider variety of housing, community and economic development activities. These funds could be used to make home modifications or repairs as well as make community adaptations. Medicaid and Medicare: The Commonwealth Coordinated Care Plus (CCC Plus) is a Medicaid managed long-term services and support program that includes some minor home modification services for qualifying seniors. Medicare and Medicaid reimbursement rules are also providing strong incentives for health care institutions to address the housing status of their patients. This could include partnering for home modification initiatives—especially those in which trained occupational therapy professionals can evaluate home conditions and make recommendations. Nonprofit assistance: Local affordable housing providers like Habitat for Humanity have demonstrated experience providing home modifications. The Southeast Rural Community Assistance Project, (SERCAP) Aging in Place program, based in Roanoke, provides support services to help individuals who wish to continue living at home despite health setbacks, including adaptive design solutions for homeowners. Aging in place, however, is not a unique need for lower income seniors. Many seniors with significant retirement income as well as substantial home equity are also in need of AIP assistance. Any AIP program in the region/the AIP leadership team should recognize this and make access to programs and services available on a market rate basis, and connect local developers with the tools to succeed in providing the best fit for buyers.

METRICS TO EVALUATE SUCCESS

Resident tenure in their home, residents are able to stay in their homes as long as they had planned Improvement in health conditions Decrease in the number of injuries incurred in the home Seniors generally experiencing better health outcomes as a result of continuing to reside in their own homes Seniors generally happier and more satisfied as a result of access to services, entertainment cultural stimulation and socialization

PROJECTED IMPACT

The potential production and impact of these programs are also quite large. Most aging in place programs balance costs by starting very modestly with specific targeting of households and certain types of housing modifications. The program can expand from there depending on resources both financial and human.

EXAMPLES AND BEST PRACTICES

Albemarle Housing Improvement Program (AHIP) - Seniors Safe at Home

Approach: The Albemarle Housing Improvement Program (AHIP) is a 30-year-old housing organization located in Albemarle County, Virginia. Over the last decade, AHIP has evolved into an agency that primarily serves seniors with a range of services to help them stay in their homes longer. Seniors Safe at Home sets out to make sure that no senior citizen must wait for a critical home repair while helping them preserve assets and age in place. The types of repairs vary and include heating/cooling, roof leaks, stair and porch repair, kitchen and bath accessibility, plumbing and electrical problems, and issues with well and septic systems.

Outcomes: In 2016, this program helped 98 senior citizens with repairs and rehabs, or 53% of AHIP's clients- as of 2021, the number of seniors rose to 66% of their total rehab participants. AHIP uses a variety of funding sources; however, the largest share of its support comes from the City of Charlottesville and Albemarle County. Both of these jurisdictions use local and HUD funds to support AHIP's work. AHIP also raises a substantial amount of charitable funding every year from corporate and philanthropic sources as well as individuals.

The Village

Approach: The Village movement began in the United States nearly 20 years ago. There are now more than 220 Village programs across the country and at least 10 operating in Virginia (primarily in Northern Virginia). The program is based on the idea of volunteerism. Seniors in the community join and form a nonprofit organization with a modest annual fee, and most organizations hire a coordinator who helps the members find services such as in-home care, handyman help, drivers, and meal delivery. Frequently, other members of the community will volunteer to help individuals who are a part of the village. For example, a young person in the neighborhood might be willing to mow a lawn, rake leaves, clean gutters, take out the trash, or change a ceiling light bulb for a senior resident.

College Service Project: Appalachia Service Project

Approach: The College Service Project (CSP) is a student- led campus-based organization that affiliates each of its chapters with the Appalachia Service Project (ASP). The CSP follows the ASP model for home repair projects in their local communities. College students and other volunteers make critical repairs on homes and build new homes when current dwellings are beyond repair. More than 15,000 volunteers give their time to repair and build homes with the Appalachia Service Project. This model could be replicated with the 55 colleges located within 100 miles of Amherst.

Outcome(s): In the fifty two years since the Appalachia Service Project's founding in 1969, over 400,000 volunteers have repaired nearly 20,000 homes. Not only does the service create safer living situations for rural families in Appalachia, it also establishes meaningful relationships between repair staff and homeowners. Likewise, youth and adult volunteers gain experience and confidence to make important home repairs.

12.1.2 Attract and incentivize developers to build lower-cost homes and increase housing diversity

Issue: A shortage of building construction and specialty trade contractors across the region is a major constraint on construction of new housing, and there is a lack of variety to meet residents' lifestyles and budgets.

The region faces greater demand for housing than can be supplied by the current array of developers, particularly dedicated affordable housing produced by nonprofits and other mission-driven organizations. Unlike its neighbors, Campbell is seeing an increase in both one-person renter and homeowner households, and has seen the greatest increases in renters among the counties. From 2010 to 2021, there was an increase of 650 renter households and a decrease of 412 homeowners in Campbell—the data points to a need to diversify housing types and costs to match the changing demographics of the county.

Solution: Invest in and support the growth of affordable developers and builders, and reevaluate development regulations to allow for greater density and diversity of housing.

Attracting and incentivizing developers who can deliver lower-cost options requires a combination of financial, regulatory, and technical support. Furthermore, increasing housing choice diversity is important for promoting equitable and inclusive communities, reducing segregation and discrimination, and providing a range of housing options for people with different incomes, backgrounds, and lifestyles.

FRAMEWORK

A combination of efforts are required to address the issue of affordable housing supply-chain. Campbell County can explore ways to align development regulations with their desire to address housing that is more accessible and affordable to young families, seniors, and modest-income households. This can include streamlining the development process, offering zoning and land use incentives, providing financial support, and increasing technical programs and assistance to navigate the unique requirements of affordable housing. Through strategic implementation of these tactics, it is possible to create an environment that is attractive and conducive for developers to contribute meaningfully to housing diversity and affordability, and to minimize obstacles preventing affordable housing development.

IMPLEMENTATION PLAN

Immediate (0-6 months):

Establish a task force comprising housing experts, developers, local government representatives, and community stakeholders. This body will analyze current housing policies, evaluate existing regulation and identify barriers, and determine what incentives would

most effectively attract developers. Initiate open dialogues with potential private developer partners to better understand their hesitations and needs concerning affordable housing projects. This information will guide the task force in designing appealing incentive packages. Develop a blueprint for a technical assistance program, which will offer guidance on navigating regulatory hurdles and securing funding for affordable housing projects.

Short-term (6-12 months):

Roll out chosen financial incentives, which could include a combination of property tax abatements, density bonuses, low-interest loans, or grants to developers undertaking affordable housing projects depending on identified need and impact. Execute regulatory reforms, including a streamlined development approval process, relaxation of zoning laws to accommodate diverse housing types, and a fast-tracked review process for affordable housing proposals. Launch the technical assistance program, offering training sessions and resources to assist developers in understanding and overcoming the complexities of affordable housing development.

Long-term (12-24 months):

Develop public-private partnership frameworks and attract new private entities to participate in affordable housing projects. Continually monitor the effectiveness of all implemented measures, modifying strategies as necessary based on outcomes and feedback.

RESPONSIBLE ACTORS AND ROLES

Public entities, private developers, and non-profit organizations will all have roles. Public entities will provide policy guidance and be responsible for executing any chosen regulatory reforms. Private developers will bring in the required building expertise, efficiency, and scalability. Non-profit organizations can assist in community engagement, offering local knowledge and fostering support for affordable housing projects.

LEGAL, FINANCIAL, AND ORGANIZATIONAL CAPACITY

The task force will review state and local codes to identify legal barriers, along with assessing fiscal and staff capacities of relevant actors. Solutions will be designed in compliance with legal structures and in consideration of the financial capacity of involved entities.

FUNDING SCOPE REQUIREMENTS

Funding requirements will depend on the scale of the implementation. Initial costs will be associated with establishing the task force, designing incentive packages, and setting up the technical assistance program. Long-term operational costs will include maintaining partnerships, managing programs, and funding financial incentives.

POTENTIAL FUNDING SOURCES

Government Funding: Federal grants such as the HOME Investment Partnerships Program or the Community Development Block Grant (CDBG) program HUD's Thriving Communities Technical Assistance (TCTA) Program helps localities to address their housing needs, including addressing regulatory and procedural reforms Targeted grants for housing planning efforts are available from DHCD and the Appalachian Regional Commission. The Virginia Housing Trust Fund (VHTF) provides loans with low-interest rates for affordable housing projects **Public-Private Partnerships (PPP):** Private sector entities often participate in affordable housing development through PPP arrangements. The private sector brings in capital and operational efficiency, while the public sector can offer incentives like tax breaks, land, or eased regulatory requirements. Low-Income Housing Tax Credits (LIHTC) can be one example of this type of partnership. **Philanthropic Resources:** The Virginia Housing Development Authority (VHDA) Capacity Building and Community Impact Grant programs could help fund technical assistance efforts and development planning

METRICS TO EVALUATE SUCCESS

Number of affordable housing units developed
Uptake of financial incentives by developers
Efficiency of the regulatory approval process
Increase in housing types
Number of new affordable developers in the county

PROJECTED IMPACT

With a well-executed plan, this approach could substantially increase affordable housing availability and diversity within the state over the next few years.

RELEVANT EXAMPLES

City of Arlington - Affordable Housing Investment Fund (AHIF)

Approach: The city of Arlington has expanded affordable housing by providing low-interest loans to developers through AHIF, introduced bonus density provisions, and actively involved communities in decision-making processes.

Outcomes: The program has enabled the majority of the approximately 8,300 rental units approved throughout the County that help provide homes for low- and moderate-income households, including specialized housing for the elderly, the homeless, or persons.

Austin, Texas - Small Developer Training Program

Approach: The Small Developer Training Program is launching this year and aims to boost the availability of affordable housing in Austin by equipping small-scale developers with the necessary skills and knowledge. The comprehensive education initiative is organized by HousingWorks Austin and includes small scale development strategies and insights into the regulatory environment to enable smoother planning and approval processes.

12.2 Secondary Solutions

12.2.1 Attract and retain public sector talent with housing assistance

Issue: Rising housing costs and limited options now impact localities' ability to attract and secure talented workers

Participants in focus groups and local government meetings shared examples of recent housing challenges faced by new hires and prospects for local government positions. These workers now have trouble finding a home at an affordable price and in the community they will serve. As a result, localities are finding it more difficult to maintain staffing and implement new initiatives across all functions of government.

Solution: Provide new and current employees with financial (and other forms of) housing assistance

Ways to keep local government workers and attract new talent to live and work in the region include employee down payment assistance (currently used by Henrico County, Chapel Hill, and more places), rental location services, and other programs. This solution would identify and map out specific options a local government may want to pursue.

FRAMEWORK

Keeping new and existing employees in the community can be difficult when the housing market is not keeping pace with wages. Employee turnover can be challenging for local governments, resulting in the loss of institutional knowledge and established relationships, and a significant time and resources to orient new employees. By providing assistance in finding housing or even offering financial assistance, local governments can better attract and retain public sector talent. This can include housing subsidies, partnerships with housing developers, flexible housing loans, and relocation assistance to remove housing barriers and improve the attractiveness of public sector employment.

IMPLEMENTATION

Immediate (0-6 months):

Establish a dedicated team consisting of public sector HR personnel, housing policy experts, and finance professionals. The team will conduct a comprehensive study to understand the specific housing challenges faced by public sector employees. Begin negotiations with real estate developers and financial institutions for potential collaborations. Draft a preliminary design of comprehensive housing assistance programs tailored to meet the housing needs of public sector employees.

Short-term (6-12 months):

Implement a direct housing subsidy program that provides monthly financial aid to those employees spending more than a set percentage of their income on housing costs. Finalize partnerships with developers for priority access or reduced rates on specific housing projects, and with financial institutions to provide flexible housing loans with preferential terms to public sector employees. Initiate a relocation assistance program that helps to offset the moving expenses for employees relocating due to job requirements.

Long-term (12-24 months):

Continuously monitor, review, and refine the assistance programs to ensure they effectively address the housing needs of public sector employees. As necessary, expand the network of partnerships to provide a wider range of housing options and financial assistance.

RESPONSIBLE ACTORS AND ROLES

The County Housing Department/Authority typically administers the program, setting guidelines, processing applications, determining eligibility, and providing financial assistance. Public Employers, especially in programs targeting government employees, play a critical role in promoting the program to employees and providing necessary information. Financial Institutions that provide mortgage loans often collaborate with these programs, considering the assistance provided in loan evaluations and handling the disbursement of funds. Real Estate Agents and Developers play a significant role in promoting the program and assisting in locating qualifying homes.

POTENTIAL FUNDING SOURCES

The programs can be funded through the budgets of public sector agencies, state and federal grants designed for workforce housing and talent retention, contributions from partnered developers, and low-cost loans from financial institutions. Exploring public-private partnerships can also provide innovative funding solutions.

RELEVANT EXAMPLES

Live Where You Work: Arlington County

Approach: The county offers grant assistance toward the purchase of a residence in Arlington County for eligible government workers. Funding comes through general funds, and there are a number of restrictions on who can qualify and what types of housing they can put funds towards.

Outcomes: Around 25 grants have been made between 2021 and 2022 to help employees attain competitive home prices, with an average grant amount around \$11,000.

Public Employee Homeownership Grant Program (PHEGP): Loudoun County Approach: The PHEGP in Loudoun County provides down payment and closing cost assistance to employees of the Loudoun County Government, Loudoun County Public Schools, and Loudoun Water who are first-time homebuyers in the county. The program aims to make

homeownership more affordable for these employees, promoting community stability and reducing the commute times for public employees.

Outcomes: Over 118 Public Employees have been assisted through FY 2020, including county workers and public teachers, with the average household income for assisted households at \$62,853.

13 City of Lynchburg

13.1 Primary Solutions

13.1.1 Use comprehensive plan update to strengthen infill development and blight remediation strategies

Issue: Recent changes to city zoning and development regulations are a good start, but additional steps may be necessary to expand infill housing

Many parts of existing urban areas have an inefficient use of space, resulting in sprawl, a need for costly new infrastructure, and empty or underutilized parcels. The City of Lynchburg has already begun to proactively address this issue by providing infrastructure incentives and revising subdivision regulations to encourage developers to "fill out" empty parcels in existing neighborhoods. However, as potential sites become fewer, and as the broader economic environment for residential developers may become less certain, continued progress on infill housing may begin to stall in the city.

Solution: Leverage major comprehensive plan update to establish robust, systematic approach to infill housing development

Creating a successful infill strategy can help property owners understand their parcels' potential, spur new investments, and increase beneficial economic activity in neighborhoods already established for development. Localities can strengthen those efforts by leveraging the data and information produced by their own departments to publish an inventory of parcels identified and promoted for residential infill. To achieve these related goals, the city can take advantage of its upcoming comprehensive plan update process to lay out a three-pronged approach: Identify and reposition "problem" properties into assets, Develop property inventory to engage developers, and Streamline infill development approval process. This strategy provides detailed descriptions, recommendations, and considerations for each of these components.

FRAMEWORK

These three steps should be completed sequentially. However, the city should use the comprehensive planning process to determine how specific strategies are accomplished in the context of other related housing and development objectives. [NOTE: Many parts of the tasks below can be expanded with more detail if desired. City staff should advise

HVF on which items, if any, they would like to see built out further.] TASK 1: Identify and reposition “problem” properties into assets. Continue evaluating existing blight remediation efforts already underway. Determine remaining legal/fiscal barriers and explore what steps are needed to overcome them. Collect and analyze new data to identify and prioritize vacant parcels for intervention. TASK 2: Develop property inventory to engage developers. Seed new database of properties with parcels identified in Task 1. Collaborate with developers to establish criteria for “infill housing potential” (lot size, utility access, etc.). Determine which criteria can/cannot be assessed with existing parcel data; evaluate and acquire new data if needed. Build out a database with parcels identified as having infill housing potential (that were not previously gathered in Task 1). Develop web-based application for the public to access property inventory. TASK 3: Streamline infill approval process. Project certain scenarios onto property inventory to determine what zoning/regulatory changes might have most significant ability to unlock parcels for development. Determine which of those changes could be implemented with least fiscal impact and lowest risk of (unintended) negative effects. Identify opportunities to allow for pre-approval of certain development steps if the application clearly meets established criteria. Integrate permitting steps/info into property inventory to reduce the number of steps and contact points needed to acquire approval.

IMPLEMENTATION PLAN

Immediate:

Establish blight remediation and infill housing as priority issues to explore in the comprehensive plan process. Embed this issue into community engagement prompts used during the comprehensive plan outreach phase. Use this opportunity to help citizens understand scope and complexity of challenges, along with potential solutions. Create regular reports to monitor current blight remediation progress. Engage partners (city attorney, builders, etc.) to develop a list of challenges and opportunities.

Short-term:

Conduct a data audit to determine what property attributes are reliably included in existing city datasets. Build out a “wish list” of desired variables that are not available and seek out new pathways to acquire and connect those data. Leverage the analytical work described above to map out specific objectives and strategies within the comprehensive plan framework. Use outreach from that process to help accomplish the collaborative parts of Task 2. Vet some of the potential streamlining strategies in Task 3 with stakeholders; recommend any and all desired solutions for inclusion in the plan. Evaluate whether the technical parts of Task 2 (i.e., property database and web application) could be completed by existing city departments, or whether an outside consultant is needed. If needed, begin designing an RFP for those components. Incorporate infill housing analysis and strategies into the first draft of the comprehensive plan.

Long-term:

Work internally (or with consultants) to design, test, and deploy the web application described in Task 2. Proactively share the tool with city leaders, developers, and other community partners. Review and revise, as needed, infill housing strategies within the comprehensive plan. Adopt plan pursuant to required legislative process. Assemble an infill housing task force responsible for implementing, monitoring, and amending strategies. Members should include staff from relevant city departments, planning commission and/or city council, and practitioners from the private/nonprofit development sectors.

RESPONSIBLE ACTORS AND THEIR ROLES

City staff: Oversee and manage the comprehensive planning process, conduct analysis and report on current efforts, investigate data assets and gaps, conduct community and stakeholder engagement, interface with planning commission and city council. City attorney: Report on current legal framework and challenges related to vacant/blighted property, review and provide opinions on proposed policy solutions. Planning commission and city council: Provide guidance on comprehensive plan, review and make recommendations for draft plan, adopt final plan, leverage community relationships to ensure effective stakeholder engagement. (Optional) Consultants: Assist city staff with specific components of comprehensive plan and property analysis, design and build web application.

LEGAL, FINANCIAL, AND ORGANIZATIONAL CAPACITY

Legal: There are no legal restrictions on any of the actions recommended to occur before and during the comprehensive planning process. However, with respect to blight remediation specifically, the city cannot go beyond any of the existing strategies enabled in current Virginia state code. [Additional detail and specific references to code can be added here if helpful.] Financial: The additional focus on infill housing within the comprehensive plan may require extra work beyond what may have been already budgeted for the project. Furthermore, the legal process necessary to take or transfer ownership of blighted properties can generate substantial court and attorney fees. Organizational: Current city staff and resources (along with any planned consultant assistance) are likely fully prepared to successfully complete the comprehensive plan update. However, the additional programmatic and property-related analysis described in this solution may not be within that capacity. Similarly, a fully new interactive web application to reveal and promote infill development opportunities may be beyond staff availability and capability.

FUNDING SCOPE REQUIREMENTS AND PROJECTED IMPACT

Total new funding required to complete the tasks described in this solution depends on how significantly parts of that work are incorporated into staff activities already projected in the comprehensive plan budget and scope. Contract cost for an outside consultant to complete the analytical work in Task 1 would likely fall around \$5,000, depending on scope. Contract cost for work described in Task 2, including a standalone interactive web

application, could range from \$10,000 to \$20,000. These are very rough estimates and should only be used to initiate further discussions prior to any RFP being drafted.

POTENTIAL FUNDING SOURCES

Virginia Housing's Community Impact Grant is purpose-built for many of the tasks included in this solution. Applications are accepted on a rolling basis. Awards range from \$15,000 to \$20,000 depending on project type. CDBG funds may be used for planning and capacity building activities. Allocation of any CDBG funds for this work should be planned and structured to achieve specific objectives and activities described in the City of Lynchburg 2020-2024 Five Year Consolidated Plan. City general funds and private philanthropic grants may also be explored as funding options.

METRICS TO EVALUATE SUCCESS

Number of vacant/blighted/delinquent parcels transferred and remediated
Number of new infill homes created
Number of new homeowners and/or renters occupying those homes
Total and average property value increase (and subsequent tax revenue)
Number of citizens and stakeholders engaged on this topic within comprehensive plan process
Relevant HUD paper on infill Preserve the existing affordable housing rental inventory
Issue: Large segments of subsidized housing are aging out of their affordability commitments

Low-Income Housing Tax Credit (LIHTC) properties have a 30 year commitment to affordability, but only a 15 year compliance period, wherein property owners can increase rents. Nonprofit developers will often seek new allocation of tax credits before their commitment period ends, but there is often little incentive for for-profit developers to maintain affordability restrictions past the compliance period. By 2035, over 40 percent of active LIHTC units in Lynchburg are set to exit their affordability commitment period.

13.1.2 Develop an Affordable Housing Preservation Fund

FRAMEWORK

Solutions dedicated to preserving existing affordable housing and LIHTC properties include obtaining additional allocation of tax credits, providing financial incentives to property owners and developers, and investing in maintenance and repairs to extend the lifespan of this segment of the housing stock.

While housing trust funds are often used to preserve and rehabilitate affordable housing units, they typically prioritize new construction and aid with predevelopment and gap financing. Instead, local preservation funds have been developed to ensure that the gains in newly constructed affordable housing are not negated by the conversion of affordable units to market rate.

Examples of such financing programs exist in Virginia, specifically in Loudoun County, which has been facing severe housing market pressures. Fairfax County also assembled an Affordable Housing Preservation Task Force in 2020 to provide the Board of Supervisors with policy recommendations to support the preservation of affordable housing. Affordable housing preservation funds are no different than housing trust funds in terms of their structure and administration. These are layered sources of funding involving public sector and sometimes private sector or philanthropic funds to capitalize a revolving loan fund.

IMPLEMENTATION

Immediate:

Assemble a comprehensive list of LIHTC properties in the City of Lynchburg, with a focus on the physical conditions of the building, subsidy expiration, number of affordable units, and ownership structure (i.e. nonprofit, for profit, etc.). Determine the total number of units at-risk of conversion in the next five years; make comparisons to what is currently in the development pipeline. Conduct outreach to LIHTC property owners to determine their intended plans after commitment period expiration and assess funding needed to maintain affordability. Educate elected city officials about the importance of an affordable housing preservation fund and how it will prevent net loss of affordable rental units in the city. Use the list of LIHTC properties and anticipated loss to help support education efforts.

Short-term:

Determine the level of support that is achievable from elected officials. Identify additional sources of capital—including participation from lending institutions, corporations, and charitable foundations. Develop a detailed implementation model that incorporates the new sources of capital that the preservation fund will administer. Application review, scoring and selection procedures must be developed and approved by City Council.

Mid-term (12-24 months):

Explore the potential for “dedicated” sources of revenue to the fund. Dedicated sources allow for greater predictability in the volume of resources and remove any fiscal cycles and shifting political priorities from affecting the operation.

Long-term (24+ months):

Monitor and evaluate the fund’s performance by determining the total number of units preserved by the fund. Gather data on demographics of residents and other information to measure greater community impacts.

LEGAL, FINANCIAL, AND ORGANIZATIONAL CAPACITY

City staff should conduct an assessment of new legal and financial liabilities that accrue from the administration of funds from new sources—including local governments, banks,

corporations, and charitable institutions. When funds are provided to the fund from any of these sources in the form of grants, the fund should have a standard set of requirements that are included in the grant agreement, including clarity around liability, lending, and grant making procedures, procedures and reporting. City staff should evaluate staff capacity to add new products and procedures. If private funding requires traditional bank style “underwriting” then there may be a need for training or the outsourcing of certain elements of the loan / grant origination process. Similarly, if loan servicing, including collection and application of payments, is part of an expanded fund, that will also involve software and accounting upgrades as well as staff training. These functions could also be outsourced to a lending institution or to Virginia Community Capital—Virginia’s statewide CDFI.

FUNDING SCOPE REQUIREMENTS AND PROJECTED IMPACT

Given the scale of housing needs in the City of Lynchburg, we recommend that the goal for preservation fund capitalization be at least \$1 million per year. Most housing trust funds in the state are capitalized at levels that meet or exceed this amount. Based upon anticipated funding levels, the fund should set preservation goals for a 3-5-year period. Because of the often lengthy periods of time to close on acquisitions or obtain gap financing, these projects will frequently carry over from one year to the next.

POTENTIAL FUNDING SOURCES

General fund appropriation: The most common source of funding for local housing trust funds is a general fund appropriation from the locality. While the “gold standard” for affordable housing funds is a “dedicated” revenue source from a fee or tax, that approach is not the standard across Virginia. Currently, most trust funds in Virginia are funded with combinations of local general fund appropriations and federal housing funds, with some localities also incorporating dedicated revenue sources as a partial income stream. Private and philanthropic sources: A wide range of nonpublic funding sources have supported affordable housing funds around the state and the country. These include banks and other financial institutions that provide loan and grant funds. Corporations, philanthropic foundations, and other community anchor institutions, including hospital systems, colleges and universities, and churches can be substantial partners. With regard to the mix of grants and loans, any affordable housing fund that can secure a greater level of grant funding compared to loans will have greater flexibility in terms of the needs that it serves as well as its attractiveness to the affordable housing development community. Loan funds may be available from a wide range of actors—for example, Virginia Housing and Virginia Community Capital both provide loan funds on favorable terms for affordable housing developments. We recommend not bypassing local lenders in favor of working strictly with state sources. Local lenders will frequently be able to tailor their lending specifically to local needs and align with other affordable housing fund resources. State sources will be especially useful as a significant element of the capital stack needed to develop affordable projects in the region, but they will conform to a statewide standard.

METRICS TO EVALUATE SUCCESS

A critical element for a successful affordable housing fund is to be able to measure both outputs and outcomes. Outputs: It is important to collect data on the number of housing units preserved, their location, cost and other relevant data points. While these metrics may not materialize until the second or third year after the first allocations, such data is necessary. Outcomes: It is just as, if not more, important to measure who is being helped and assess whether objectives are accomplished. This information is more difficult and time-consuming to collect but is crucial to sustaining funder commitment in the long run.

RESPONSIBLE ACTORS AND THEIR ROLES

The key actors in this process will be the housing staff (or assigned staff) from the City of Lynchburg who would be responsible for developing this program proposal and assessing viable funding sources, programmatic design, administration, etc. RELEVANT EXAMPLES

The Loudoun County Rental Housing Acquisition and Preservation Loan Program was created in early 2022. The program acts as a gap lender to help finance the acquisition and preservation of existing multifamily rental developments in the County.

The program is administered by the Loudoun County Department of Housing and Community Development. Requirements placed on the funding include a set percentage of units designated as affordable (20% of total units affordable at 50% Area Median Income (AMI) or 40% of total units affordable at 60% AMI. In addition, the County places a 30-year affordability commitment on properties utilizing the fund.

The source of funds for the initial capitalization of the RHAP fund was the FY 2021 Fund Balance from Loudoun's existing Housing Fund, \$5 million. Staff has since recommended that a portion of the FY 2023 real property tax rate be dedicated to the RHAP program, approximately \$6.5 million.

For more information, visit Loudoun County Rental Housing Acquisition & Preservation Loan Program.

13.2 Secondary Solutions

13.2.1 Continue the work of Lynchburg Housing Collaborative

Issue: Through the work of the regional housing collaborative, Lynchburg municipal staff and housing organizations have provided city council policy ideas to create more home

ownership and affordable rentals opportunities and address the need for more affordable housing throughout the entire city. To date, some recommendations are yet undeveloped or still being explored.

The Lynchburg Regional Housing Collaborative was established with the support of the city council to: 1. Create a detailed analysis of the current housing market, 2. assess the challenges faced by lower and middle-income households, and 3. examining the potential efficacy and impact of the proposed policies. Following their 2019 report to council, some priorities and policies remain undeveloped and are an avenue for continued policy growth.

Solution: Pursue recommendations made through the collaborative that address the priority of increasing housing opportunity for all income levels, and further build the collaborative through targeted recruitment to include representatives from lending institutions, private residential developers and other anchor institutions.

FRAMEWORK

Housing shortages and the lack of affordable options present significant obstacles to community development and stability. Inclusive and diverse communities are advantageous not just for the individuals who benefit, but for the community as a whole. Communities that strive to include a wide range of household types have been shown to foster entrepreneurship, community-based economic activity, and educational improvement. Adopting inclusionary housing practices and diversifying the regional housing collaborative's membership to increase stakeholder engagement are primary strategies to build from existing policy groundwork.

Under Section § 15.2-2305.1 in Virginia law, Lynchburg can create inclusionary zoning programs that provide density bonuses and other incentives in exchange for a developer voluntarily electing to provide affordable housing. Lynchburg currently has no legal authority to mandate affordable units in new construction.

IMPLEMENTATION PLAN

Immediate (0-6 months):

Review § 15.2-2305.1 and the provisions included in the code owing to HB1101 from the 2020 General Assembly session, which provides applicable localities with much more prescriptive guidance. Use digital mapping programs to spatially analyze AMIs across the city and where housing needs are distributed. Choose a price and AMI range to target using an ordinance. Plan for how inclusionary housing policies could be tied to other priorities like transportation. Engage anchor health and education institutions to join the housing collaborative.

Short-term (6-12 months):

Conduct outreach to housing officials from Fairfax County, Loudoun County, and the City of Alexandria. These localities have longstanding inclusionary zoning ordinances created

under §15.2-2304. Seek guidance on the following: Administration needs and capacity. Best practices for outreach to developers and builders. Data tracking and reporting. Methods to build-in programmatic flexibility and resiliency. Make the case for addressing affordable housing needs and illustrate how an inclusionary housing program would begin to solve the problem. Outreach efforts should address common questions like: What is inclusionary housing? Why do we need inclusionary housing? Why is inclusionary housing useful?

Long-term (12-24 months):

Draft a full ordinance and gather feedback from stakeholders in formal and informal settings. Assess the ordinance's potential impact on developable land in the town. Learn the opinions and projections of builders and developers Consider pursuing legislative action in the General Assembly to join the six localities authorized to adopt inclusionary zoning ordinances, or "affordable dwelling unit" (ADU) ordinances under VA § 15.2-2304.

RESPONSIBLE ACTORS AND ROLES

Local planning staff will help draft and design the ordinance. Planning commission and town council will review drafts, provide feedback, and adopt the final version. Developers and builders will provide meaningful input and conduct provisions in the ordinance to add affordable units to new construction.

POTENTIAL FUNDING SOURCES

No specific sources required.

RELEVANT EXAMPLES

Montgomery County, Maryland

Approach: Montgomery County operates one of the most established inclusionary zoning policies in the nation. Their Moderately Priced Dwelling Unit (MPDU) program mandates that 12-15% of units in new residential developments are reserved for affordable housing.

Outcomes: Since it was established in the 70s, over 11,000 affordable units have been created in the county through the MPDU program and through developer incentives including a waiver of water, sewer charge and impact fees.

14 Towns

14.1 Primary Solutions

14.1.1 Spearhead regional effort to help developers overcome state development regulations

Issue: State transportation and environmental regulations are stifling towns' efforts to attract meaningful residential infill development

Despite allowing for higher residential density on parcels identified for development, many towns in the CVPDC region have been unsuccessful in attracting proposals from developers. Currently, VDOT and DEQ requirements imposed on larger-scale residential development (e.g. road infrastructure, stormwater abatement) impose unsustainable costs that are not justified by the lower returns expected in these towns' markets.

As a result, developers are instead incentivized to find larger greenfield sites in the counties that can provide the additional sales volume needed to cover regulatory expenses. Towns therefore continue to lose out on new residents, while development in the counties contributes to suburban sprawl.

Solution: Create a sustained regional initiative to develop the additional resources and capacity needed to make town infill development an attractive investment. Towns in the Central Virginia region are not alone on this problem. Therefore, town leaders should begin regional conversations amongst each other, CVPDC, developers, and other stakeholders to identify specific problems and potential solutions. Working together, they can research best practices and develop unified recommendations to help small towns.

FRAMEWORK

Assemble task force Representatives from the towns and CVPDC, along with additional partners as desired, should establish a small town development task force. Together, this group should begin their work by completing the following tasks: Develop a comprehensive assessment of the specific regulatory barriers preventing the residential development they want, Study any successful recent developments in towns to find possible best practices, and Interview developers and builders to gather additional insight and potential solution pathways. Alternatively, if town staff already convene on a regular basis to discuss general issues, then this activity may be more easily incorporated as a

standing agenda item in those meetings. Establish statewide connections The task force should subsequently conduct additional outreach on this topic to aligned organizations across Virginia, including but not limited to: The Virginia Municipal League (VML) and its members, particularly members of its Infrastructure, Transportation, and Environmental Quality Policy Committee, Regional homebuilder associations, and The Home Builders Association of Virginia (HBAV). Task force members should share findings from their regional assessment and propose priority issues for these groups to collaboratively find solutions. Furthermore, the task force could also seek constructive relationships with staff who represent the relevant state agencies, such as: The Virginia Department of Transportation (VDOT), ideally representatives from the Lynchburg and/or Salem districts, The Department of Environmental Quality (DEQ), and The Virginia State Water Control Board. These connections with state officials should be used to seek their guidance on new or creative workarounds to current challenges, and to ensure towns are accessing every possible grant and funding opportunity available to cover the costs of new infrastructure.

Create regional support systems As best possible, towns should pool their time and energy to avoid duplicative efforts. The task force should explore new collective resources that would benefit each community. Possible examples include: Build a clearinghouse of infill parcels towns would like to see developed to proactively seek proposals from developers, Explore whether planning staff from CVPDC or parent counties could serve as "on call" development consultants to help town staff and interested builders, and Develop common program language for new incentive packages, as described below. Promote low-impact development Absent any favorable changes to state road and stormwater regulations, towns should evaluate potential incentives for developers to design proposals that mitigate regulatory burdens. Incentives may take the form of: Permit fee reductions or waivers, Utility hookup fee reductions or waivers, and Streamlined permitting process with fewer steps. Those options are not exclusive; other incentive mechanisms—especially those that do not require new enabling legislation in state code—should also be explored. To be eligible for incentives, plans could be required to incorporate elements such as: Pervious surfaces and materials that trap runoff, Parcel and street layouts that minimize subdivision street lengths, and Clustering of homes to preserve open space. Additional steps towns should take include: Evaluating existing zoning codes (with stakeholder input) to ensure low-impact designs are not inadvertently restricted, and Exploring infrastructure upgrades that allow more stormwater to be treated off-site, reducing on-site requirements.

IMPLEMENTATION

Immediate:

Assemble the task force in coordination with CVPDC and establish a regular meeting schedule. Draft and delegate specific action items for task force members to complete for their initial assessment work. Begin outreach to partners and stakeholders within the region to gather input.

Short-term:

Continue task force meetings; share and discuss results from various regulatory assessments and outreach. Write specific talking points that summarize challenges and communicate needs; use them to begin outreach to statewide organizations and state agency representatives. Participate in high level advocacy conversations with VML and other organizations to explore potential regulatory reform options. Invite state agency representatives to speak with town officials and local developers. Long-term: Evaluate and prioritize possible incentives for low-impact development. Vet proposals with town leaders and stakeholders to amend as needed. Following approval of any incentives, affirmatively communicate new options to developers and identify specific parcels available.

LEGAL, FINANCIAL, AND ORGANIZATIONAL CAPACITY

Legal: The regulatory bodies responsible for reviewing the state regulations relevant to this issue include the Commonwealth Transportation Board and State Water Control Board. They do not regularly undertake major overhauls of regulations, and are lobbied heavily by competing interests. Therefore, major beneficial changes to these codes is unlikely in the near future. Financial: Nothing described in this solution would require new financial structures, with the exception of low-impact development incentives that could incorporate alternative real estate tax schemes. However, more straightforward fee reductions and waivers should be attempted first. Organizational: Staff and resources among the towns are not as robust as their larger municipal counterparts in the region. Therefore, the activities in this recommendation focus on collaboration and leverage of regional entities, such as CVPDC. Towns should strive as much as possible to remain coordinated on this effort and not independently pursue different paths.

FUNDING SCOPE REQUIREMENTS

The primary cost associated with activities in this solution is personnel hours for town staff. While some of the tasks might be reasonably included within general staff duties, important objectives are much more likely to be achieved if dedicated funding is acquired. Such funds could support existing staff, contribute to the hiring of new staff, and/or cover the cost of technical assistance from outside consultants.

POTENTIAL FUNDING SOURCES

Virginia Housing's Community Impact Grant could be used for some of the tasks described above. Applications are accepted on a rolling basis. Awards range from \$15,000 to \$20,000 depending on project type. CDBG funds may be used for planning and capacity building activities. Town representatives and CVPDC should engage DHCD to explore options. Pooled town general funds and private philanthropic grants may also be explored as funding options.

METRICS TO EVALUATE SUCCESS

Task force action items defined and accomplished Number of new stakeholders and partners reached Number of parcels successfully developed Number of new homes built Property value increases (and subsequent tax revenue collected) New funding obtained for infrastructure planning/construction

RESPONSIBLE ACTORS AND THEIR ROLES

Town staff: Organize and participate in task force, complete initial assessments, maintain developer/stakeholder outreach, investigate and propose new incentives. Town planning commissions and councils: Provide high-level guidance on process, facilitate connections with stakeholders (especially state regulators), evaluate and adopt new incentives. CVPDC: As able, assist task force with its work, participate in conversations with regulators, potentially provide formal technical assistance, help apply for grants.

14.1.2 Tackle housing vacancy and address blight

Issue: Many small towns do not have the resources to address vacant and unmaintained homes

The rehabilitation of blighted properties is an important part of community development efforts; most of the region's housing is surpassing 20 years in age, making quality an ever-present issue in an aging housing stock. Population decline (in some areas) and migration in the region have also contributed to vacancies and absent landowners, further adding to the challenge of blight and disrepair. These problems are most acute in the smaller towns within the CVPDC footprint.

Solution: Research and implement new revitalization strategies

Towns can expand rehabilitation efforts in a number of ways, including the expansion of successful statewide programs like DHCD's ARS program (Acquire, Renovate, Sell, currently used in Altavista), the establishment of land banks, increasing staff capacity to track and enforce absentee landlords, or studying new tax structures, like a progressive taxation of vacant land to discourage speculation and encourage development. Proactive and regular coordination among the towns would facilitate higher success.

FRAMEWORK

There are multiple policy paths that the towns can undertake to address vacant housing and blighted properties. Some strategies may take significant effort to successfully implement, while others less so. Below are a list of recommended strategies:

- Expand Acquire, Renovate, Sell (ARS) utilization: Learning from the successes in Altavista, DHCD's ARS program can provide towns with the grant funding to acquire and rehab homes to a comparable market state. As a partnership between the provider, DHCD, and VHDA, these homes are also eligible for first time homebuyer downpayment assistance, and

ten percent of the net proceeds of sales can be put back into administrative costs to support local staffing.

Establish a regional land bank organization: While most land banks in Virginia serve one locality, regional models exist in other parts of the county, including the North East Pennsylvania Land Bank Authority, which serves nine distinct municipalities. Advantages of a regional land bank approach include the ability to address “spillover effects” associated with vacant and abandoned properties across county lines and to tackle a larger number of foreclosed properties through bulk negotiations. Rather than conducting a public tax lien auction, counties or cities can decide to directly transfer tax liens on a property to a municipal authority or land bank. The PDC could be positioned to assist in this effort, along with representation from participating town leadership.

Increase staff capacity for proactive code enforcement: Administrative budget challenges in smaller towns can prevent jurisdictions from hiring the amount of staff necessary to effectively enforce code and tax delinquency. Towns can advocate for and seek out increased funding with a clear outline of the scope of code enforcement challenges and data insights. Furthermore, capacity building grants, like those offered through Virginia Housing, can provide funds for towns to strategically approach issues like code enforcement with the help of consultants.

Improve the foreclosure process: Tax foreclosure best practices can lead to improved foreclosure systems that enable communities to better serve local needs and respond to blight in a more timely manner. Legislative modifications to state and local property tax enforcement and sale regulations may be necessary for some of these best practices.

Explore a land value tax: Potentially the most challenging of these recommendations, implementing a land value tax would provide a stable source of funding for affordable housing and rehabilitation if localities agree to dedicate a share of all tax revenue. This tax could also reduce economic distortions by encouraging the development of underutilized land and discouraging speculative landholding, but it would require new state enabling legislation and, by necessity, coalition building to accomplish.

IMPLEMENTATION PLAN:

Immediate (within 6 months):

Hold an inter-town meeting to learn from Altavista about the ARS program and how others in the region could apply and replicate successes in their own context. Audit and evaluate current data collection strategies to determine the full scale and scope of delinquencies and blight and to document the cost of inaction. Explore expedited judicial foreclosure processes for tax delinquent properties that also have code violations to rapidly deal with properties that may pose greater costs to the community.

Short-term (within 12 months):

Develop pool of funds to undertake rehab or demolition of properties. Identify properties that are difficult to address due to absentee or missing landowners or other foreclosure challenges and options for transfer. Pursue capacity building grants to explore collaborations with community-based nonprofit and private developers to tackle blight.

Long-term (within 24 months):

Hire additional staff to support overall capacity to address strategies and actions focused on vacancy and blight Explore the possibility of creating a regional land bank, housed either through the PDC or through an identified and capable non-profit organization

LEGAL, FINANCIAL, AND ORGANIZATIONAL CAPACITY

Legal Capacity: Virginia state code gives localities certain powers to deal with vacant and tax delinquent properties. Relevant chapters are below. § 15.2-7500 et seq. Land Bank Entities Act: Enabling legislation for the creation/designation of land bank entities Covers property acquisitions and dispositions Allows for tax exemption for land bank entities Optional collection of partial tax assessments on conveyed properties § 15.2-7509. Financing of operations: Up to 50% of real property taxes collected on conveyed properties may be remitted to the land bank entity Allocation of property tax revenues begins after conveyance and lasts for up to 10 years § 58.1-3965. When land may be sold for delinquent taxes; notice of sale; owner's right of redemption: Covering the general process for auctioning tax delinquent properties § 58.1-3970.1. Appointment of special commissioner to execute title to certain real estate with delinquent taxes or liens to localities: Process for "direct sale" of tax delinquent properties to land banks and nonprofits Expanded criteria for delinquent balance and assessed value of properties in most localities § 15.2-907.1. Authority to require removal, repair, etc., of buildings that are declared to be derelict; civil penalty: Local powers/process for addressing derelict buildings § 15.2-907.2. Authority of locality or land bank entity to be appointed to act as a receiver to repair derelict and blighted buildings in certain limited circumstances: Local powers/process for using land banks as receivers for derelict/blighted properties Financial capacity: Additional funding is required to support new programs aimed at addressing vacancy and blight. Local cities should actively seek out dedicated grant funds that are specifically available for addressing vacancy and blight issues. Exploring other potential funding sources such as community development block grants, state funding programs, or partnerships with private organizations can help secure additional financial resources. Organizational capacity: The Planning and Development Commission (PDC) and local city staff will need to undergo training on new programs and strategies related to addressing vacancy and blight. Staff members may be required to take on new temporary or permanent roles, specifically focused on managing and implementing initiatives to combat vacancy and blight. Collaboration and coordination between different departments and agencies within the locality is crucial for effective implementation of programs. Establishing partnerships with community organizations, non-profits, and other stakeholders can help enhance organizational capacity and improve the overall effectiveness of efforts to tackle vacancy and blight. Regular monitoring, evaluation, and reporting of progress are necessary to ensure the effectiveness of the implemented programs and make any necessary adjustments.

RESPONSIBLE ACTORS AND ROLES

Planning District Commission: Support localities in locating and applying for funding opportunities
Support regional planning around strategies to enforce/repurpose vacancies
Locality staff: Administer and evaluate code enforcement Compile updated inventory of vacancies Pursue funding opportunities Institute a regional land bank Contractors Perform rehabilitation or demolition of purchased/locality-owned vacant properties Local housing and service providers Locate future homeowners for rehabilitated properties Operate as chosen land bank administrator (nonprofits only)

FUNDING SCOPE REQUIREMENTS

The amount of new funding required will depend on how much of the above scope is pursued at once. Additional staff needed within the PDC and/or town administrations could range from one to three full-time equivalent (FTE) positions.

POTENTIAL FUNDING SOURCES DHCD: ARS program includes development and operational funds. Virginia Housing: Community impact and capacity building grants can support administrative costs and the ability to hire consultants to support strategy development

METRICS TO EVALUATE SUCCESS

Number of vacant homes moved back into viable use Funding resources acquired for rehabilitation Creation of regional land bank Reclamation of property values and subsequent tax revenue

PROJECTED IMPACT

The expected impact of this solution depends on the specific activities pursued and achieved. In general, the repositioning of vacant and blighted properties has the strong potential to improve community character, attract new private investments, and raise property values. Successful expansion of the ARS program can also create new affordable homeownership opportunities for town residents.

RELEVANT EXAMPLES

City of Altoona Blight Task Force [will add description] WPPDC regional land bank plan [currently on paper and seeking funding; will add details when next steps confirmed in coming weeks]

14.2 Secondary Solution

14.2.1 Align housing and community development efforts

Issue: Towns want to reclaim their character by attracting new businesses and residents and pursuing more livable mainstreet communities.

Over the past few decades, many rural towns have experienced the loss of traditional industries, population declines, and the rise of national chain stores. Towns in the CVPDC region have not been immune to these trends, and are currently pursuing—and already succeeding in—efforts to rebuild their economy and improve public spaces. However, housing can often be a more difficult challenge, which limits the residential base for new, stimulating activity.

Solution: Leverage state and federal resources to ensure housing is proactively addressed in commercial revitalization efforts

Economic development, community development, and housing are interconnected, particularly in smaller communities. The continuing revitalization of historic downtown areas and addressing vacant and/or dilapidated buildings is critical to attracting both new businesses and residents. This recommendation would develop specific strategies for the towns to expand their use of the Virginia Main Street Program, state and federal tax credits, and other resources currently available for this purpose. Opportunities to secure technical assistance and training programs for mixed-use development, adaptive reuse, and other steps to add residential space to activate core downtown areas will also be identified, so communities can increase their public, nonprofit, and private sector capacities.

FRAMEWORK

The Virginia Main Street (VMS) Program housed under the Department of Housing and Community Development helps communities implement the National Main Street Center's (NMSC) Main Street Approach. The VMS Program provides communities with technical assistance, consulting services, training, and grant funding. While the towns of Altavista, Bedford, and Brookneal have participated in one of the offered tiers, Amherst and Appomattox have not. Federal and state historic tax credits can be used in Virginia to restore commercial buildings, including office and retail properties. These tax credits have been leveraged across many declining downtowns in the rehabilitation and adaptive reuse of buildings — often turning old warehouses into a mix of housing and commercial uses.

Virginia Housing also contributed to community development efforts through its mixed-use/mixed-income (MUMI) program. MUMI provides for low-rate mortgage finance for projects that include both housing and commercial uses. Virginia Housing is flexible on the incomes served and will fund projects with household incomes up to 150% of AMI. Some more deeply affordable apartments are required and determined through negotiation that considers the underlying economic feasibility of the project.

IMPLEMENTATION PLAN:

Immediate (0-6 months):

Inventory downtown assets in towns, including unique features and historic structures to highlight Consider the town's interest in the following approaches: Obtain and maintain

Virginia Main Street designation. Coordinate downtown district strategies through regular meetings with Chambers of Commerce, town and county economic development staff, and regional organizations. Improve directional signage to the downtown district and outdoor recreation amenities. Facilitate the sale or redevelopment of vacant commercial properties in collaboration with owners and potential investors targeting the buildings listed in the Pulaski Redevelopment and Renewal Plan and the Pulaski Downtown Revitalization Master Plan. Review and update zoning regulations and implement an overlay zoning district for downtown to promote design guidelines and target incentive programs to businesses. Initiate a business recruitment strategy to encourage business investment in downtown and in target business sectors. Target grant, loan, and incentive programs to property owners in downtown areas to upgrade buildings or invest in new business development. Promote downtown residential development through updates to the zoning regulations to allow residential units in upper floors of downtown buildings and market to regional target markets. Identify parcels suitable for housing: finalize inventory of vacant parcels and underutilized buildings suitable for housing.

Short-term (next 12 months):

Host a downtown housing event: invite funders and potential development partners. This could also include meeting with owners of vacant parcels to determine motivation to sell or partner. Host a downtown tour: provide facts about development opportunities at various buildings and parcels. Target code enforcement for dilapidated buildings downtown. Assess current zoning: assess and modify zoning or land-use barriers to development. Pursue financing options: invite Virginia Community Development Corporation (VCDC) (equity investment) and Virginia Community Capital (flexible debt) to visit and discuss possible projects. Evaluate potential for land banking: explore land and property acquisition line of credit for RHA “land banking.” Conduct a market study for downtown housing that can be used to help developers understand demand and the pricing.

Mid-term (12–24 months):

Solicit development partners: develop RFPs for property development that can be sent to potential partners. Market downtown: prepare a marketing campaign for affordable downtown living.

RESPONSIBLE ACTORS AND THEIR ROLES

Town staff PDC staff County economic development staff: REALTORS Downtown businesses

POTENTIAL FUNDING SOURCES

Virginia Housing Trust Fund, Department of Housing and Community Development, Federal and state historic rehabilitation tax credits, Low-Income Housing Tax Credits, Federal Home Loan Bank, Vibrant Communities Drive Change (VCDC), corporate partners, and healthcare systems.

BEST PRACTICES AND RELEVANT EXAMPLES

Downtown Harrisonburg Renaissance Project: Harrisonburg, Virginia

Approach: In the early 2000s, downtown Harrisonburg faced various challenges, including blight, vacant buildings, and a lack of residential and commercial appeal. To address these challenges, the city established the Harrisonburg Downtown Renaissance (HDR) in 2003, a non-profit organization devoted to revitalizing the downtown area. HDR became part of the Virginia Main Street program, which provided a comprehensive strategy for revitalization. One key component of the Harrisonburg Downtown Renaissance was the focus on mixed-use development. Recognizing the value of having both residential and commercial spaces in the downtown area, the city encouraged developers to create mixed-use spaces. This meant renovating the upper floors of existing commercial buildings into residential units and promoting the ground floors for commercial use.

Outcomes: Several projects under the HDR initiative, like the Walton Hotel and the City Exchange, were transformed from vacant or underutilized properties into vibrant mixed-use spaces with shops, restaurants, and residential units. These redevelopments spurred further investment and helped create a lively, pedestrian-friendly downtown. Another significant part of the revitalization effort was the enhancement of public spaces. The city invested in streetscape improvements, including better lighting, sidewalks, and public art. This made the downtown area more attractive to both residents and visitors.

Today, downtown Harrisonburg is a thriving urban center, recognized as a Great American Main Street Award winner.