



GROWTH & HOUSING ACTION PLAN

FEBRUARY 2021



Executive Summary

The Fredericksburg region has seen significant growth and change occur in recent years. The population is booming, jobs are being added to the economy, new families are putting down roots here, and long-time residents are staying; all indicators of the desirability of this region. It's projected that these patterns will continue the coming years, and planning for this growth will be critical. This is especially true when it comes to housing. Home prices and rents have been climbing rapidly in the area, and supply shortages are occurring in local markets across region. The ability for new and existing residents to find or remain in housing that meets their needs and budget is an important quality of life measure that must be prioritized; the time for action is now.

This Growth and Housing Action Plan provides a series of policies that FAAR can advocate for to tackle the key housing challenges facing the region now and in the coming years. Each policy includes a series of action steps that FAAR can take to get plans in motion, garner support from stakeholders, and influence how the region grows, adapts, and prospers over time. Many of the policies require coordination across jurisdictional lines, and FAAR is in a unique position to play a key role in this regional endeavor. The policies build on FAAR's legislative platforms, reflect key findings from the Smart Growth Survey of resident priorities and preferences, and are informed by other housing studies/analyses conducted for the region.

Take Action | Advocate | Endorse

POLICY

- | | | |
|---------------------------------|---|---|
| Housing Supply & Housing Choice | 1 | <i>Increase housing stock supply and diversity through comprehensive planning</i> |
| | 2 | <i>Expand zoning for 'missing middle' housing in strategic areas</i> |
| | 3 | <i>Create incentives for development of affordable housing</i> |
| Pipeline to Homeownership | 4 | <i>Establish a regional resource center for first-time homebuyers</i> |
| | 5 | <i>Create a regional housing trust fund to facilitate affordable rental housing and expand homebuyer assistance</i> |
| Preservation of Affordability | 6 | <i>Promote use of property tax-relief programs for seniors & disabled residents</i> |
| | 7 | <i>Organize and sponsor home rehabilitation assistance programs and events</i> |

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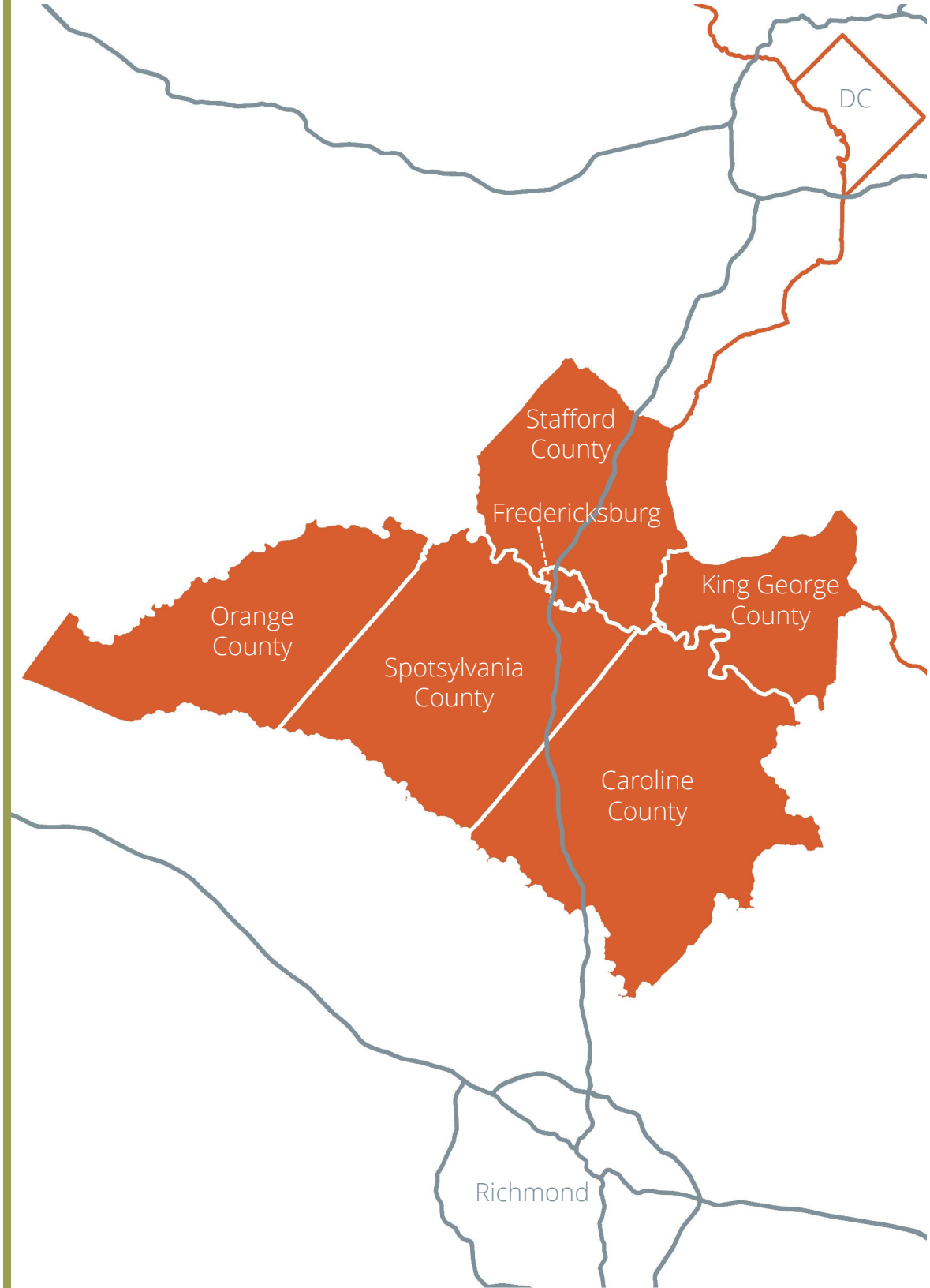
The Fredericksburg Area Association of Realtors®

About FAAR: Founded in 1957, the Fredericksburg Area Association of Realtors® is the trade association for more than 1,700 Realtors® and 130 affiliate members serving the City of Fredericksburg and the counties of Stafford, Spotsylvania, King George, Orange, and Caroline. Members also work in the surrounding counties of Westmoreland, Louisa, Prince William and in Northern Virginia.

Mission: FAAR provides members with resources to deliver professional and ethical service and advocates for issues impacting real estate.

Vision: The Fredericksburg Area Association of Realtors® is a vital resource for member success.

faarmembers.com





The Action Plan

The FAAR Growth and Housing Action Plan provides a framework to proactively address the housing challenges facing the Fredericksburg region. The plan lays out specific and action-oriented strategies that the FAAR organization can pursue to influence and shape housing policy both at the jurisdiction level and regionally.

The policies and strategies laid out in the plan are designed to improve housing choices for all residents in the Fredericksburg region, promote homeownership, and improve the housing situations of the region's vulnerable residents.

Focus Areas. The plan is organized into three focus areas; Housing Supply & Housing Choice, Pipeline to Homeownership, and Preservation of Affordability. Each focus area represents a key piece in the housing puzzle. Targeting resources and building initiatives in these housing policy areas will have the largest impact on the largest number of residents. From young adults starting their families and careers, to older adults aging in place in their communities. From homeowners, first-time and repeat buyers alike, to renters, all along the income spectrum, many of whom are saving to buy in the future.

Policies. Within each focus area, policies have been identified to build housing capacity in the region and achieve results over time. It's important to note that some of the policies are

regional in nature, and others must be brought forward at the local level. While it is optimal for all jurisdictions to adopt a form of these policies, results and momentum can still occur if adoption is made in a subset of localities. The policies reflect best practices from other communities facing similar housing challenges. An overview of each policy is provided, to give context on how it typically works, what makes it successful, and details about how the policies can be funded and organized.

Policy Connection. In addition to leveraging best-practices and proven approaches from the field, the policies in the plan also align with and build on the existing FAAR legislative platforms. They also reflect the priorities, key findings, and preferences from the Smart Growth Survey that residents participated in during the first quarter of 2020.

Action Steps. Each policy in the plan has a series of action steps that FAAR can take to move the policy forward. The action steps are the heart of the plan and critical to building momentum. The steps are intended to be done incrementally over time. Some require significant resources, while others can be done through existing initiatives and platforms.

Case Study Toolbox. Each policy also includes a case study to provide context of how other communities have approached implementation and how they achieved results.

Action Plan Focus Areas



**Housing Supply and
Housing Choice**



**Pipeline to
Homeownership**



**Preservation of
Affordability**



POLICY 1 *Increase housing stock supply and diversity through comprehensive planning*

Overview: Comprehensive Plans are the roadmaps for communities as they grow and change over time. Comprehensive Plans typically involve significant public engagement and dialogue, so the content of the plan reflects the vision and priorities of those living there. Generally, Comprehensive Plans lay out a 20-to-30-year framework for a wide range of elements like transportation networks and infrastructure, land uses and density, parks and open spaces, economic development, and housing, among others.

Comprehensive Plans often encompass not only a broad jurisdiction-wide scope but can also contain separate plans for sub-geographies and growth corridors. These are sometimes referred to as Master Plans, Small Area Plans, or Corridor Plans. All jurisdictions in Virginia are legally obligated through the State Code to produce comprehensive plans, and it is critical that these plans are living documents that are updated on a regular basis. This is especially true in high-growth areas such as the Fredericksburg region.

The land use, housing, and transportation elements of Comprehensive Plans can have a significant impact on the housing supply in a community. The types of land uses called

for in the plans, and the permitted densities of these areas will directly influence what will be built and/or preserved in the future. In addition, the location of transportation infrastructure, such as new road connections, can provide access to areas that could spur new development activity.

FAAR and its members can take an active role in community planning activities within the footprint, specifically the planning of, revisions to, and implementation of Comprehensive Plans. Cultivating a wide range of housing types and sizes in the region will be critical to the health of the local economy and the quality of life here. The diversity of the future housing stock will be largely a product of what is included in Comprehensive Plans throughout the region.





Housing Supply and Housing Choice

POLICY **1** *Increase housing stock supply and diversity through comprehensive planning*



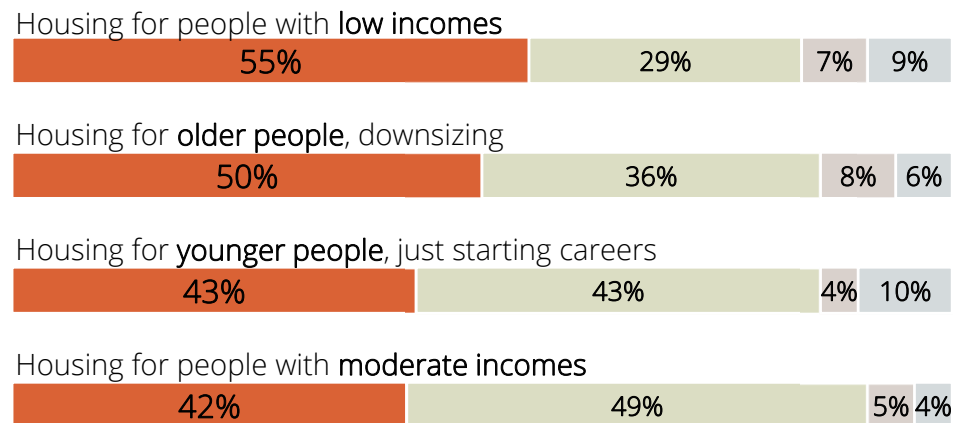
STANDING POSITIONS

- ✓ Comprehensive Plans
- ✓ Housing Opportunity and Choice
- ✓ Growth Issues
- ✓ Transportation

COMMUNITY SURVEY

Amount of housing available...

■ Too little ■ Right amount ■ Too much ■ Don't know



0% 20% 40% 60% 80% 100%



Housing Supply and Housing Choice

POLICY 1 *Increase housing stock supply and diversity through comprehensive planning*

FAAR Action Steps | Advocacy | Endorsement

- a) Participate in local Comprehensive Plan updates in the region as they occur. Provide detailed feedback for inclusion of a wide range of housing types and sizes, in locations near transportation corridors and job centers, that will facilitate development of housing all along the price and size spectrum.
- b) Actively encourage FAAR staff and members to take on leadership roles in community planning within the region. This could take the form of planning commission appointments, serving on task forces or committees that examine land uses in a specific geography or corridor, or liaising with local government staff on housing and land use initiatives.
- c) Advocate for the implementation of Comprehensive Plans. Evaluate development proposals during public comment periods for alignment with local plans and policies. Provide feedback (endorsement or opposition) with local planning staff and at applicable public hearings and community meetings.
- d) Endorse all types of housing development including single-family detached homes, townhomes and duplexes, and apartments/condos.



Potential Partners & Collaborators

Local planning staff

Caroline County
 Fredericksburg
 King George County
 Orange County
 Stafford County
 Spotsylvania County

Housing developers

Elected officials

Housing advocates

HOAs/Civic Associations

Planning Commissioners



Housing Supply and Housing Choice

POLICY 1 *Increase housing stock supply and diversity through comprehensive planning*

Case Study Toolbox Plano Tomorrow Comprehensive Plan – Plano, TX

The City of Plano Texas is a northern suburb of Dallas. The City has experienced significant change over the years, evolving from a traditional bedroom community to major population and job center within the Dallas-Fort Worth region. With this growth, the demographics of the City have also changed, which has created demand a wider range of housing types.

In 2015 the City adopted a new comprehensive plan, Plano Tomorrow, which was the result of a 26-month public engagement process. Feedback on the plan was immense and wide ranging, with about 4,000 residents participating, providing about 20,000 comments, suggestions, and ideas on the plan.

The key to the plan was striking a balance between new residential and mixed-use development at higher-densities and preserving the character of existing single-family neighborhoods. With the new plan, about 80% of the City will be essentially unchanged, while about 20% is expected to

undergo significant transformation in the decades to come. Much of the area that has been planned and zoned for growth and new development is located near transportation corridors and employment hubs in the City. In doing so, the City's updated comprehensive plan provides options for a wider range of housing types in the future to accommodate the City's changing demographic landscape, while also maintaining and preserving the character of existing neighborhoods.





2 *Expand zoning for 'missing middle' housing in strategic areas*

Overview: “Missing middle” housing is characterized as housing in the middle of the density spectrum between single-family detached homes and mid-rise and higher density buildings. These include housing types such as duplexes, triplexes, townhomes, and small garden-style apartments.

The housing stock in the FAAR footprint consists primarily of single-family detached homes. As of 2019, about 75% of all occupied housing units in the region were single-family detached according to the most recent census data. The region’s housing stock is reflective of it’s rural and suburban character and existing zoning. A vast majority of the land in the FAAR footprint is zoned for single-family detached homes which helps preserve the attractive small-town charm of the region, but also constrains the housing supply.

Despite the prevalence of single-family detached zoning, all jurisdictions in the footprint do have a variety of residential and mixed-use zones that permit other types of housing including “missing middle” style dwellings such as duplexes, townhomes, and small multifamily buildings. These zones play a critical role in creating a diverse housing stock; however, they only cover a very small portion of land in the region.

Missing middle housing is a critical part of the overall housing picture because the units are often smaller in size and available at more affordable price-points than single-family detached homes. While attached and multifamily housing is not appropriate for many parts of the region, particularly in the rural and agricultural areas, expanding this type of housing in more strategic areas near job centers and transportation can lead to a healthier and more diverse housing supply.

Facilitating a wider range of housing choices can also have a positive impact on the labor pool and employee retention at area businesses as the cost of housing continues to rise. In addition, missing middle housing can provide more starter-home options which are in very high demand in the region.





Housing Supply and Housing Choice

POLICY 2 *Expand zoning for 'missing middle' housing in strategic areas*



STANDING POSITIONS

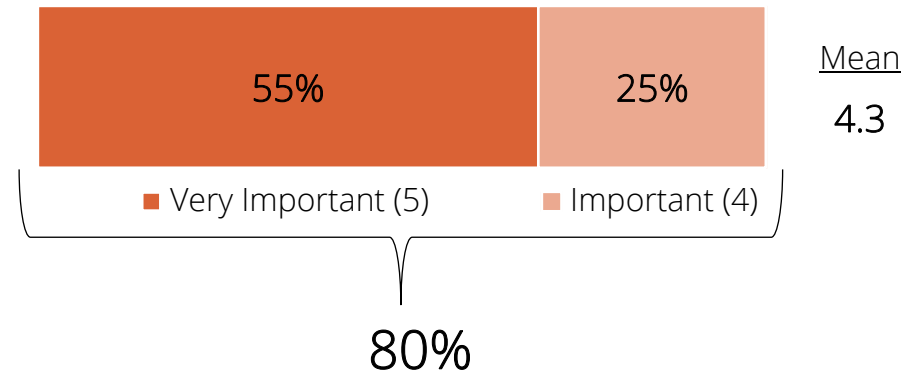
- ✓ Comprehensive Plans
- ✓ Housing Opportunity and Choice



COMMUNITY SURVEY

Importance on 5-point scale...
(1= not important, 5= very important)

Affordability of housing
(including apartments, townhomes, and houses)





POLICY 2 *Expand zoning for 'missing middle' housing in strategic areas*

FAAR Action Steps | Advocacy | Endorsement

- a) Advocate for expanding permitted residential uses within existing single-family detached zones in suburban areas near job centers and transit to include duplexes, townhomes, and small multifamily housing types.
- b) Collaborate with local architects and designers to create educational and outreach materials about missing middle housing concepts. Use the materials to increase awareness about the importance of housing stock diversity and how missing middle housing can contribute to the health of the regional housing supply while also maintaining neighborhood character through design and appropriate scale.
- c) Engage with local developers to identify existing and/or potential projects in the region that would be optimal for townhomes and/or small multi-family housing but are not feasible due to current zoning codes. Facilitate a dialogue with applicable stakeholders about these challenges and potential solutions.
- d) Coordinate with local planning staff about upcoming planning efforts and potential opportunities to expand residential zoning options in the community.



Potential Partners & Collaborators

Local planning staff

Caroline County
Fredericksburg
King George County
Orange County
Stafford County
Spotsylvania County

Local architects

Housing developers

Land use attorneys

HOAs/Civic Associations

Planning Commissioners

Elected officials



Housing Supply and Housing Choice

POLICY

2 *Expand zoning for 'missing middle' housing in strategic areas*

Case Study Toolbox



Housing NOW Initiative – Grand Rapids, MI

Housing NOW, a comprehensive effort to preserve and expand housing affordability in Grand Rapids Michigan included several planning and zoning strategies. These were to both create more units as well increase the type of units produced or incentivized. Grand Rapids was interested in a wider range options in its lower density, single family areas.

Duplex



Over a two-year period, they accomplished the following changes through a series of amendments to the City's zoning ordinance:

- › Allow duplexes and small multi-family buildings by-right in an overlay zone known as Low-Density Residential District (subject to building footprint, setback, and height requirements)
- › Added townhomes into the Special Land Use section in strategic areas and zones so that the Planning Commission can extend greater flexibility in evaluating requests
- › Reduced the minimum lot width and minimum lot area in strategic areas
- › Removed minimum lot area requirement for multi-family residential citywide



Housing Supply and Housing Choice

POLICY

3 *Create incentives for development of affordable housing*

Overview: Housing affordability is a key issue facing the Fredericksburg region. The cost of housing has been rising rapidly in the area in recent years as many parts of the region have experienced significant growth. This is putting a strain on many people and families who are competing for a shrinking supply of homes in their price range. Data suggests renter households in particular are struggling with this growing affordability challenge. For context, in 2019, about 45% of all renter households in the FAAR footprint were housing cost burdened, that is, paying in excess of 30% of their income on housing related expenses.

The Fredericksburg region is not alone, many places in other parts of Virginia and throughout the Country are facing similar affordability challenges. Many of these communities are leveraging policies and tools that encourage affordable housing development to alleviate some of the supply shortage. Incentives for developers are a critical element to a successful affordable housing policy because it can help close the financial gap between producing and operating market rate housing and below-market rate housing. These incentive tools are also referred to as voluntary inclusionary zoning and are often used in states, like Virginia, that do not have statutory

options for mandatory inclusionary zoning. These voluntary and incentive-based approaches leverage a wide range of tools from density and height bonuses, to reduced parking requirements. In exchange for these incentives, developers must provide a portion of the units (typically 10% to 20%) at prices/rents affordable to low- and moderate-income households for a specified period of time (30 to 99 years is a current standard practice).

Creating housing options for the entire income spectrum, including teachers, childcare workers, first-responders, food/hospitality workers, among others, is critical to sustaining a vibrant community, a prosperous economy, and a steady pipeline of future homeowners.





Housing Supply and Housing Choice

POLICY **3** Create incentives for development of affordable housing

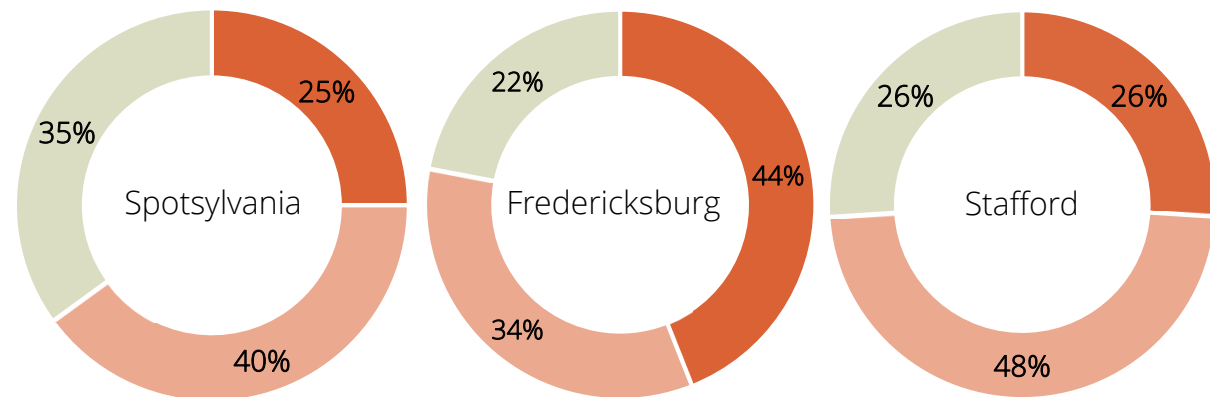


STANDING POSITIONS

- ✓ Housing Opportunity and Choice
- ✓ Regional Cooperation

COMMUNITY SURVEY

Ability to find a home that is affordable...



■ Huge Obstacle ■ Medium Obstacle ■ Small/No Obstacle



Housing Supply and Housing Choice

POLICY **3** *Create incentives for development of affordable housing*

FAAR Action Steps | Advocacy | Endorsement

- a) Engage with elected officials, local government staff, and HOAs/civic associations to advance community dialogue on policies and programs that incentivize affordable housing development in the region. These types of policies often required a high level of political will and community support to be adopted.
- b) Endorse and advocate for wider use of voluntary inclusionary zoning tools in the region, such as density bonuses, to facilitate development of more housing units, affordable all along the income spectrum, which will lead to more housing choices as the region grows.
- c) Collaborate with local non-profits and housing advocates to produce outreach materials to expand awareness of the affordability challenges facing the region, including potential impacts to the well-being of low-income families in the community, the health of the local economy, and retention of the local workforce.
- d) Facilitate a dialogue with residential developers that are active in the region to identify potential strategies to create a wider range of housing types, including housing that is affordable to low- to moderate-income households.



Potential Partners & Collaborators

Elected officials

Caroline County
Fredericksburg
King George County
Orange County
Stafford County
Spotsylvania County

HOAs/Civic Associations

Local non-profits

Housing advocates

Housing developers

Local planning staff



Housing Supply and Housing Choice

POLICY 3 Create incentives for development of affordable housing

Case Study Toolbox Affordable Housing Density & Height Bonus – Alexandria, VA

The City of Alexandria Virginia’s Bonus Density and Height Program (Section 7-700 of the Zoning Ordinance) incentivizes the production of affordable housing by providing bonus density of up to 30% and bonus height of up to 25 feet (in zones with height restrictions exceeding 50 feet) in exchange for affordable rental or for-sale units or an equivalent monetary contribution to the city’s Housing Trust Fund. The program requires that 1/3 of the additional units gained through the bonus are committed affordable units. Affordable rental units created through this program must be affordable households with incomes that meet the requirements for HUDs section 8 and housing voucher programs. For sale units that are created through the program must be affordable to households at or below the region’s median income. The term of affordability for units created through the program is typically 40 years. Since 2002, more than 200 affordable units have been created through density and height incentives.

Density Bonus



Density Bonus



Density Bonus



Height Bonus





Pipeline to Homeownership

POLICY 4 *Establish a regional resource center for first-time homebuyers*

Overview: Homeownership is a significant milestone and major financial investment. The ability to own your home provides an array of benefits; from stability and putting down roots in a community, to tax benefits like mortgage interest deductions, and building equity over time. There is no shortage of people interested in owning their own home, however the barriers to homeownership can be very onerous. Many first-time homebuyers lack a down payment large enough to enter the market in a growing region such as Fredericksburg. In addition, competition with investors and other buyers, and a scarce supply of affordably priced starter-homes leaves many would-be first-time homebuyers left on the sidelines in the region's housing market.

Resources such as down payment assistance, homeowner counseling, and credit repair services can go a long way in lifting up first-time homebuyers and helping them successfully navigate the process. These resources exist in the Fredericksburg region, either through local government programs, non-profits, private lenders, or State-level agencies, however the information about which to use and the sequencing needed to leverage these resources and programs is scattered and not often coordinated.

Establishing a regional resource center for first time homebuyers would simplify the process by creating a single point of entry and centralize the organization of existing programs in the area. Other regions around the County have implemented similar resource centers and the best practice is to include both a physical location and also an online portal.

As the resource center becomes established and promoted in communities around the region, it would help foster a pipeline of first-time homebuyers that are better prepared to enter the market; making homeownership a reality for themselves and their families.





Pipeline to Homeownership

POLICY 4 *Establish a regional resource center for first-time homebuyers*



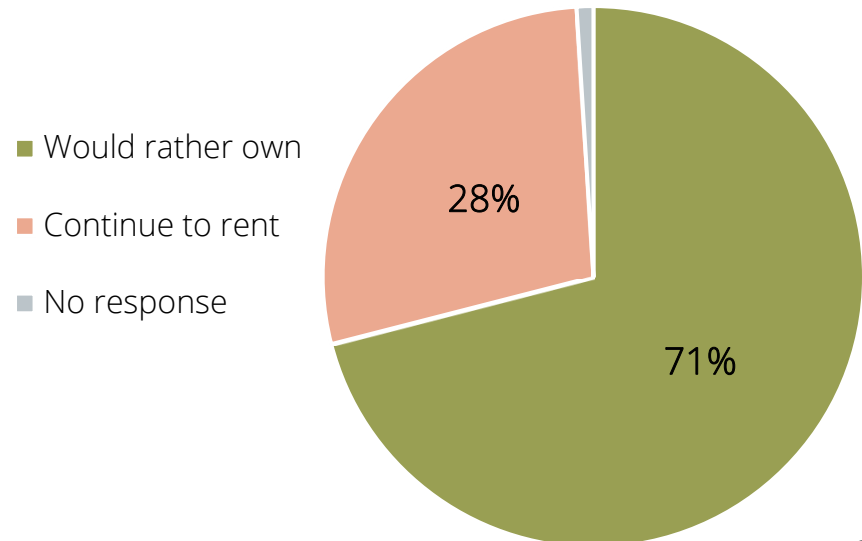
STANDING POSITIONS

- ✓ Housing Opportunity and Choice
- ✓ Regional Cooperation



COMMUNITY SURVEY

Future preference among renters...





Pipeline to Homeownership

POLICY 4 *Establish a regional resource center for first-time homebuyers*

FAAR Action Steps | Advocacy | Endorsement

- a) Play leadership role in Center’s creation, including incorporating, organizing meetings to gain participation from other stakeholder groups, and raising funds for staffing and operations.
- b) Encourage FAAR members to provide in-kind support and technical expertise for the Center. Solicit member-support to lead homebuyer education initiatives and workshops at the Center.
- c) Consider providing incubation space / location for the Center within existing FAAR offices or elsewhere in the region. Offer in-kind support for office administration until the Center is up and running.
- d) Endorse and promote first-time homebuyer resources and programs in the region through FAAR communication materials and social media platforms. Leverage the existing network of FAAR members to provide information about the programs to potential first-time homebuyers in the local markets.



Potential Partners & Collaborators

Virginia Housing

George Washington Regional Commission (GWRC)

Banks & mortgage lenders

Local housing staff

- Caroline County
- Fredericksburg
- King George County
- Orange County
- Stafford County
- Spotsylvania County

Central Virginia Housing Coalition (CVHC)



Pipeline to Homeownership

POLICY 4 *Establish a regional resource center for first-time homebuyers*

Case Study Toolbox Center for Home Ownership – Winston-Salem, NC

The Center for Homeownership, based in Winston-Salem, NC, is a full-service agency that helps families purchase their own home. The center guides potential owners through the homeownership process and provides education, information on financing options, community housing programs and listings of homes that are available.

The Center works with clients to overcome obstacles to homeownership and to ease the transition from renting to owning a home. Some of the services offered at the Center include; homebuyer education workshops, credit review and credit rebuilding programs, pre-purchase analysis, home maintenance workshops, and post-homeownership counseling. The center is a place where potential homeowners can access homebuying services and programs under one roof. A wide range of public and private stakeholders contribute to its success including local and national mortgage lenders and banks, local government

agencies such as planning departments and housing departments, as well as federal housing agencies.





Pipeline to Homeownership

POLICY

5 *Create a regional housing trust fund to facilitate affordable rental housing and expand homebuyer assistance*

Overview: Housing trust funds are typically established by a city, county, or state government to support the preservation, purchase, and production of housing that is affordable to low- to moderate-income households. In most cases, housing trust funds receive capital from multiple layers including general municipal revenue, real estate transfer taxes and recordation fees, or developer contributions, among others. Funds can also come from federal programs like HOME and CDBG, or from the private sector through corporations, foundations, and philanthropic organizations.

One significant benefit of the trust fund approach is flexibility, while one of the major challenges is scale. Localities have a lot of flexibility in how the funds can be used; from providing gap-financing to local developments with affordable housing, to funding rehabilitation projects that preserve affordable rental housing. Trust funds can also be used to support homeownership by allocating funds to down payment assistance programs in the community. Despite the many advantages, local governments often have difficulty sustaining a housing trust fund over the long-term due to the level of funding needed from year to year. This is where a regional approach to housing trust funds can be an effective tool.

By pooling resources together, a regional housing trust fund can have a larger impact over time than a collection of smaller local funds that may or may not be adequately funded each year. The key to success lies in how the regional fund is administered such that each participating jurisdiction receives its fair share of the resources. It is also critical that the contribution process/formula is clear and standardized, and that dedicated funding is established from each locality. While regional housing trust funds can be complex to establish and administer, once the process is in place and funding is sustainable, it can be a powerful tool to address housing needs and issues facing a growing region.





Pipeline to Homeownership

POLICY

5 *Create a regional housing trust fund to facilitate affordable rental housing and expand homebuyer assistance*



STANDING POSITIONS

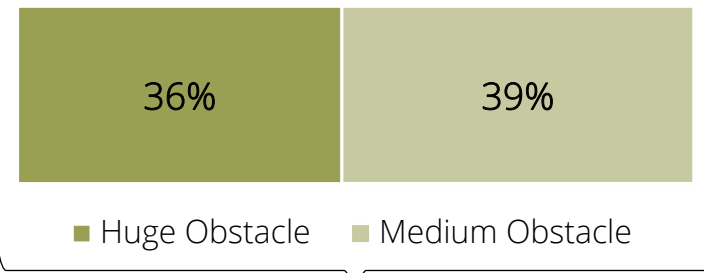
- ✓ Housing Opportunity and Choice
- ✓ Regional Cooperation



COMMUNITY SURVEY

Obstacles to buying a home...

Having enough money for a down payment & closing costs



75%



Pipeline to Homeownership

POLICY

5 *Create a regional housing trust fund to facilitate affordable rental housing and expand homebuyer assistance*

FAAR Action Steps | Advocacy | Endorsement

- a) Advocate for a regional housing trust fund to address housing needs in the communality, specifically affordable rental housing production and preservation, and expanding homebuyer assistance programs.
- b) Facilitate a series of meetings with leaders in the region to further the dialogue about the need for the regional housing trust fund and strategize next steps to implement.
- c) Provide seed money and/or organizational resources to the fund. Conduct a fundraising campaign to leverage private sector and philanthropic resources, and to promote how the fund can help to address the array of housing issues facing the region.
- d) Endorse regionalism, and encourage FAAR leadership, staff, and members to attend regional planning events, coordination meetings, and to take on leadership roles in cross-jurisdictional initiatives as they occur.



Potential Partners & Collaborators

George Washington Regional Commission (GWRC)

Local elected officials

- Caroline County
- Fredericksburg
- King George County
- Orange County
- Stafford County
- Spotsylvania County

Large employers in the region

Philanthropic organizations

Housing advocates



Pipeline to Homeownership

POLICY

5 Create a regional housing trust fund to facilitate affordable rental housing and expand homebuyer assistance

Case Study Toolbox



Affordable Housing Trust – Columbus & Franklin County, OH

The Affordable Housing Trust for Columbus and Franklin County (AHT) was created in 2001 to help address the need for affordable housing in the region. The AHT functions as a non-profit lender that provides loans to non-profit and for-profit developers to produce new affordable housing, and to acquire, rehabilitate, and preserve existing affordable housing. The AHT receives dedicated funding from both the City of Columbus and Franklin County, as well as donations from the private sector. AHT's mission is to focus specifically on developments and projects that: create and preserve

affordable multifamily rental housing, strengthen and stabilize neighborhoods, and support working households, seniors, and special needs populations. The AHT has been very active over the years. Between 2017 and 2019, the trust fund provided more than \$70 million of loans to local community development corporations, builders, and developers, which produced or preserved 2,388 housing units in the area.

Affordable Housing Production



Affordable Housing Preservation (acquisition & renovation)





Preservation of Affordability

POLICY

6 Promote use of property tax-relief programs for seniors & disabled residents

Overview: As baby boomers age, the older adult population is forecasted to grow substantially in the coming years, both locally and nationally. The youngest boomers (born in the early 1960s) are now starting to age into this older adult population segment. As the number of seniors continue to increase in the Fredericksburg region, the ability to age in place will become even more critical.

Many seniors are on fixed incomes that are at low to moderate levels compared to younger working adults. This creates a heightened vulnerability to any number of expense fluctuations, including taxes. As a high-growth region, home prices have been climbing rapidly throughout the FAAR footprint in recent years, which has in turn increased real estate tax bills for many. All jurisdictions in the FAAR area have tax-relief programs for seniors age 65 and older and disabled residents, however these programs tend to be underutilized. While the eligibility requirements vary from place to place, generally, senior households making less than \$50,000 a year with limited assets could save between \$1,000 up to their entire real estate tax bill depending on where they live. Promoting and expanding these programs will be key to helping low- to moderate-income seniors continue to age in place in the region.

Senior & disabled Tax Relief Program Eligibility in the FAAR Region

Jurisdiction	Annual Income (Maximum)	Total Assets* (Maximum)	Tax Relief (Maximum)
Caroline	\$40,000	\$85,000	\$1,000
Fredericksburg	\$50,000	\$200,000	\$1,500
King George	\$40,000	\$60,000	100% of Tax Bill
Orange	\$50,000	\$120,000	90% of Tax Bill
Stafford	\$35,000	\$200,000	\$3,000
Spotsylvania	\$50,000	\$200,000	\$1,200

*excludes primary home and land acreage (up to varying levels)





Preservation of Affordability

POLICY 6 *Promote use of property tax-relief programs for seniors & disabled residents*



STANDING POSITIONS

- ✓ Housing Opportunity and Choice
- ✓ Regional Cooperation



REGIONAL TRENDS

*1 out of every 4 (26%) senior homeowners age 65+ in the FAAR region are housing cost burdened**



**A household is considered cost burdened if monthly housing expenses exceed 30% of gross income*

Source: U.S Census Bureau, 5-yr American Community Survey, 2019



Preservation of Affordability

POLICY

6 *Promote use of property tax-relief programs for seniors & disabled residents*

FAAR Action Steps | Advocacy | Endorsement

- a) Partner with local real estate tax departments to develop an annual outreach campaign for senior and disabled tax relief-programs in the area. Specifically include community meetings, brochures, mailed flyers, and social media options for sharing information about the programs.
- b) Encourage FAAR members to educate senior clients or clients with senior parents about the tax-relief programs that are available in their home jurisdiction.
- c) Advocate for higher income and asset limits for eligibility, and/or larger tax relief levels with elected officials so these tax benefit programs can reach more seniors.
- d) Coordinate with local human/social services departments to provide information directly to senior and disabled households who qualify for tax-relief but are not yet enrolled in their local program.



Potential Partners & Collaborators

Local real estate tax and human/social services departments

Caroline County
 Fredericksburg
 King George County
 Orange County
 Stafford County
 Spotsylvania County

Housing advocates

Elected officials

Healthy Generations Area Agency on Aging (HGAAA)



Preservation of Affordability

POLICY 6 *Promote use of property tax-relief programs for seniors & disabled residents*

Case Study Toolbox Senior & Disabled Tax Relief Program Outreach – Norfolk, VA

Like many communities in Virginia, the City of Norfolk, offers a property tax exemption to qualifying residents age 65 and older and to disabled residents. The income and asset eligibility maximums are \$67,000 and \$350,000 respectively. The tax relief ranges from 20% to 100% of a homeowner's property tax bill depending on the level of household income.

What sets the Norfolk program apart from other cities and counties around the State is the amount of outreach within the community. During the application period each year, city staff organize and facilitate a series of community information sessions. The sessions are held locations throughout the City such as libraries and community centers. Each location has multiple sessions over the course of several months, so there is ample time and opportunity for residents to learn about the program. This outreach approach is particularly helpful for seniors who may not

have access to the internet. During these sessions, assistance is also provided for completing the application form or collecting and identifying the required documentation. The City also produces a user-friendly brochure each year that covers all of the specifics of the program and how to apply.





Preservation of Affordability

POLICY 7 *Organize and sponsor home rehabilitation assistance programs and events*

Overview: About 1 out of every 4 homes in the FAAR region is more than 40 years old. While many of these older homes have undergone renovations over the years, the number of homes that will need major repairs will continue to increase as the housing stock ages. Implementing preventative repairs on older homes can extend the life of the home and also reduce the need for larger/more costly repairs in the future. Home repairs can often be cost-prohibitive for many low- to moderate-income families. Improving the condition of these homes through publicly and privately supported home repair programs is an effective strategy to keep families in homes that are safe, secure, and well maintained.

These home repair programs, are typically administered by state and local governments as well as by non-profit organizations, who bring together owners, contractors and other resources to complete a wide range of home repairs. Most of the existing programs in the FAAR region focus on emergency repairs such as replacing inoperable heating or cooling systems, damaged roofs, and plumbing. Some programs in the area also address preventative maintenance and accessibility modifications so people with disabilities and aging residents can remain in their homes over time.

Many programs are funded with a combination of federal and/or state housing funds and private donations (cash or in kind). Funding levels are generally low compared to the demand, and waitlists are common for these programs. The most effective programs coordinate with other agencies including the private for- and non-profit sectors to maximize the impact of any housing rehabilitation efforts and resources. Coordination is often done through regional home repair events. Sometimes these events include information on home purchasing and other housing related matters.

Successful home repair programs help families remain in their homes. They also help homes retain or increase their value should an owner choose to sell. This not only helps the owner but also helps neighboring homes and the larger community.





Preservation of Affordability

POLICY 7 Organize and sponsor home rehabilitation assistance programs and events



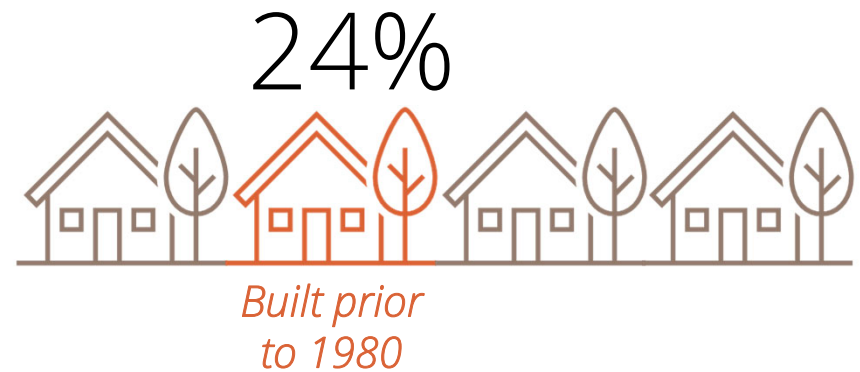
STANDING POSITIONS

- ✓ Housing Opportunity and Choice
- ✓ Regional Cooperation



REGIONAL TRENDS

1 out of every 4 (24%) of owner-occupied homes in the FAAR region were built more than 40 years ago





Preservation of Affordability

POLICY **7** *Organize and sponsor home rehabilitation assistance programs and events*

FAAR Action Steps | Advocacy | Endorsement

- a) Plan and sponsor a “Rehab Blitz” day (or weekend) modeled after Habitat’s for Humanity’s “Home Builder Blitz” program. Target rehab activities in a specific neighborhood with several homes that are occupied by low-income seniors, persons with disabilities, or families that are in need of minor renovations or alterations.
- b) Leverage existing partnerships with area nonprofits and philanthropic organizations to facilitate logistics, funding, and labor for the “Rehab Blitz” program. Consider making it an annual event that rotates between jurisdictions in the FAAR footprint.
- c) Provide funding and sponsorship to non-profit organizations in the region that coordinate home repair services and accessible housing modifications for families in need .
- d) Compile and market a home repair resource page on the FAAR website about existing programs in the region. Highlight past achievements, solicit support from FAAR members, the business community, and faith-based and philanthropic organizations. Gauge future interest/demand in the programs through outreach activities.



Potential Partners & Collaborators

Non-profit agencies
 Rebuilding Together
 Habitat for Humanity
 HGAAA
 CVHC

Local human/social services departments

Caroline County
 Fredericksburg
 King George County
 Orange County
 Stafford County
 Spotsylvania County

Contractors/suppliers

Faith-based organizations



Preservation of Affordability

POLICY 7 *Organize and sponsor home rehabilitation assistance programs and events*

Case Study Toolbox Kalamazoo Neighborhood Housing Services, Kalamazoo, MI

Launched in 1976, the Kalamazoo Neighborhood Housing Services (KNHS) rehab and repair loan program has helped income eligible owners maintain their homes to ensure safe and livable conditions. The program allows homeowners to finance home repairs at an affordable rate. In addition to loan funds, KNHS provides the full range of construction management services - from initial inspection to construction scoping, implementation, and closeout. Most of the recent repair loans have been for roof replacements, but other examples of common repairs made through the program include:

- › Plumbing, heating, cooling, and electrical systems (energy efficiency)
- › Accessibility/mobility updates and modifications
- › Siding and windows (also to improve energy efficiency)
- › Eliminate health or safety hazards.

KNHS' rehab services are supported by the City of Kalamazoo through federal CDBG and HOME funds, philanthropic contributions, and Federal Home Loan Bank funding. KNHS averages about 10 to 15 home repair loans each year and the loans range from about \$8,000 to \$10,000 on average. Eligible homeowners can have income levels up to 80% of AMI.

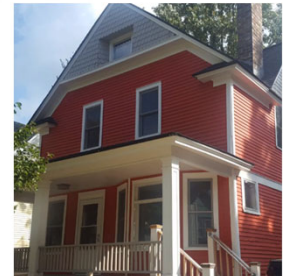




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Appendix: Key Terms

Accessible Housing – A housing unit that is designed for functional use by persons with disabilities, both physical and/or cognitive. Elements of accessible home design are also used for seniors and aging populations

Aging-in-Place – The ability for a person to live in a home and a community safely, independently, and comfortably, regardless of age, income, or ability level. Many home design elements that facilitate aging in place can also be applicable to persons with disabilities regardless of age.

Area Median Income (AMI) – A statistic used by the U.S. Department of Housing and Urban Development (HUD) for purposes of determining eligibility of applicants for various federal housing programs. It is common for the AMI to be expressed in a percentage range. For example, 30% to 50% AMI, represents an annual household income that is 30% to 50% of the median annual household income for a specific geography.

Bonus Density/Height – An incentive-based tool that permits a developer to increase the maximum allowable development and/or maximum allowable height on a site in exchange for funds, housing units, or in-kind support for specified public policy goals, such as affordable housing.

Community Development Block Grant (CDBG) – An annual federal grant program administered by the U.S. Department of Housing and Urban Development (HUD). HUD provides CDBG grants to states, cities, and counties to develop viable communities by providing decent housing and a suitable living environment, and by expanding economic opportunities, principally for low- and moderate-income individuals and families.

Comprehensive Plan – A document designed to guide the future actions of a community. Also referred to as a general plan, or master plan.

Home Investment Partnerships Program (HOME) – A federal housing program administered by the U.S. Department of Housing and Urban Development (HUD). HUD provides HOME funds to states/counties/cities to expand affordable housing options. Eligible uses of HOME funds include tenant-based rental assistance, housing rehabilitation, homebuyer assistance, site acquisition, and new construction. There are matching requirements for HOME funds. The affordability period is typically 15-20 yrs.

Appendix: Key Terms

Household – A household includes all the persons who are current residents of a housing unit. The occupants may be a single family, one person living alone, two or more families living together, or any other group of related or unrelated persons who share living arrangements.

Housing cost burdened – Households who pay more than 30 percent of their gross income for housing are considered by the US Department of Housing and Urban Development (HUD) to be cost burdened.

Housing Trust Fund – A locally administered flexible source of funding that can be used to support a variety of housing activities. A housing trust fund is typically created and administered at the local level; therefore, the funds are not subject to the various regulations and restrictions of federal subsidy programs. This allows them to be designed specifically to address local priorities and housing needs that are unique to the community.

Missing Middle Housing – A housing type that is in the middle of the density spectrum between single-family detach homes and mid-rise and higher density buildings. Missing middle housing typically refers to townhomes, duplexes, triplexes, quadplexes, and small garden-style apartments.

Multifamily housing – A structure that has three or more residential units, typically on multiple floors (a row of townhomes is not classified as multifamily under this definition).

Voluntary Inclusionary Zoning– A land-use policy/program that provides incentives for production of housing that is made available at below market-rates for a set period of time. Incentives are typically in the form of additional density, additional height, reduced parking requirements, or a combination of these. These programs are voluntary for developers.