Meeting Housing Needs in Rural Virginia

Trends, Gaps, Needs, Solutions

Rural Housing Summit
March 1, 2018

www.housingvirginia.org
Rappahannock Rapidan Region

Trends

Net population is Increasing

Within counties, population change is disparate

Building permits have been slow to pick up

New multifamily is extremely limited

Sales and rental prices result from this pressure

Incomes remain flat

Seniors and the extremely low income are impacted by these trends

www.housingvirginia.org
Elsewhere: Declining Rural Population

Population growth

Percent change in total population from 2010 to 2015

- Negative growth
- Less than 2.5%
- 2.5% to 5.0%
- 5.1% to 10%
- Greater than 10%

Source: UVA Weldon Cooper Center for Public Service

www.housingvirginia.org
### Rappahannock Rapidan Region Population

<table>
<thead>
<tr>
<th>County</th>
<th>2000</th>
<th>2016 Rate</th>
<th>2030 Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Culpeper County</td>
<td>34262</td>
<td>50,083</td>
<td>60,253</td>
</tr>
<tr>
<td>Orange County</td>
<td>25881</td>
<td>35,533</td>
<td>39,587</td>
</tr>
<tr>
<td>Fauquier County</td>
<td>55139</td>
<td>69,069</td>
<td>78,259</td>
</tr>
<tr>
<td>Rappahannock County</td>
<td>6983</td>
<td>7,388</td>
<td>7,401</td>
</tr>
<tr>
<td>Madison County</td>
<td>12520</td>
<td>13,078</td>
<td>13,182</td>
</tr>
</tbody>
</table>

**Total:**

- 2000: 134785
- 2016: 175,151
- 2030: 198,682

**Increased Pop:**

- 2000: 40,366
- 2016: 23,531

**As a Percent of Pop:**

- 2000: 23%
- 2016: 12%

### Building Permits

<table>
<thead>
<tr>
<th>County</th>
<th>2000 Bldg Permits</th>
<th>2014 Permits</th>
<th>2015 Permits</th>
<th>2016 Building Permits</th>
</tr>
</thead>
<tbody>
<tr>
<td>Culpeper</td>
<td>334</td>
<td>215</td>
<td>216</td>
<td>213</td>
</tr>
<tr>
<td>Fauquier</td>
<td>533</td>
<td>264</td>
<td>200</td>
<td>325</td>
</tr>
<tr>
<td>Maiden</td>
<td>106</td>
<td>31</td>
<td>41</td>
<td>44</td>
</tr>
<tr>
<td>Orange</td>
<td>247</td>
<td>86</td>
<td>9</td>
<td>132</td>
</tr>
<tr>
<td>Rappahannock</td>
<td>44</td>
<td>18</td>
<td>33</td>
<td>18</td>
</tr>
</tbody>
</table>

**Total:**

- 2000 Bldg Permits: 1,264
- 2016 Building Permits: 732
1.7 times more permits in 2000 (1,264) than there are today (732). Between 2000 and 2016 there has been a 42% drop in annual building permits. Meanwhile population increased by 30% over that time.
The number of seniors in the region has nearly doubled since 2000 to over **30,300**.

Today **1 in 6** persons in the region is over **65**. By 2030 it could be as high as **1 in 4**.

**23%** of the population in **2030** is projected to be **65+**.

This trend is driven by the most rural Counties in the region.

### 65+ Population as a Percent of Total - 2030

<table>
<thead>
<tr>
<th>County</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Culpeper County</td>
<td>21%</td>
</tr>
<tr>
<td>Orange County</td>
<td>27%</td>
</tr>
<tr>
<td>Fauquier County</td>
<td>22%</td>
</tr>
<tr>
<td>Rappahannock County</td>
<td>31%</td>
</tr>
<tr>
<td>Madison County</td>
<td>28%</td>
</tr>
</tbody>
</table>

UVA Weldon Cooper Center
Income Trends

Median Income Over Time

<table>
<thead>
<tr>
<th>County</th>
<th>2000</th>
<th>Real 2000</th>
<th>2016</th>
<th>% Chg</th>
</tr>
</thead>
<tbody>
<tr>
<td>Culpeper County</td>
<td>$45,290</td>
<td>$63,565</td>
<td>$66,160</td>
<td>4%</td>
</tr>
<tr>
<td>Fauquier County</td>
<td>$61,999</td>
<td>$87,017</td>
<td>$91,221</td>
<td>5%</td>
</tr>
<tr>
<td>Madison County</td>
<td>$39,856</td>
<td>$55,939</td>
<td>$48,271</td>
<td>-14%</td>
</tr>
<tr>
<td>Orange County</td>
<td>$42,889</td>
<td>$60,196</td>
<td>$66,990</td>
<td>11%</td>
</tr>
<tr>
<td>Rappahannock County</td>
<td>$45,943</td>
<td>$64,482</td>
<td>$58,026</td>
<td>-10%</td>
</tr>
</tbody>
</table>

2000 Census; 2016 American Community Survey

Single Family Home Average Sales Price

<table>
<thead>
<tr>
<th>County</th>
<th>2012</th>
<th>2015</th>
<th>% Chg</th>
</tr>
</thead>
<tbody>
<tr>
<td>Culpeper County</td>
<td>$221,375</td>
<td>$276,398</td>
<td>25%</td>
</tr>
<tr>
<td>Fauquier County</td>
<td>$362,516</td>
<td>$415,994</td>
<td>15%</td>
</tr>
<tr>
<td>Madison County</td>
<td>$217,376</td>
<td>$295,162</td>
<td>5%</td>
</tr>
<tr>
<td>Orange County</td>
<td>$212,618</td>
<td>$224,007</td>
<td>36%</td>
</tr>
<tr>
<td>Rappahannock County</td>
<td>$298,250</td>
<td>$336,805</td>
<td>13%</td>
</tr>
</tbody>
</table>

Virginia REALTORS
Income growth is not keeping up with rents. A limited supply of starter homes, apartments and manufactured housing causes pressure on rents.

Culpeper: +26% +4%
Fauquier: +19% +5%
Madison: +9% -13%
Orange: +7% +11%
Rappahannock: +26% -10%

2000 Census; 2016 American Community Survey
Severe Housing Cost Burden (50%) - Extremely Low-Income Renters (17,080 average annual household income)

<table>
<thead>
<tr>
<th>Report Area</th>
<th>Total Renter Households*</th>
<th>Number of Severely Cost Burdened (Over 50% of Income) Renter Households with Income ≤ 30 HAMI in 2010**</th>
<th>Number of Severely Cost Burdened (Over 50% of Income) Renter Households with Income ≤ 30 HAMI in 2013*</th>
<th>Percent Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Report Area</td>
<td>13,675</td>
<td>1,800--------------------------------------------------------------------------------------------------------</td>
<td>2,040--------------------------------------------------------------------------------------------------------</td>
<td>13.33%</td>
</tr>
<tr>
<td>Culpeper County</td>
<td>4,330</td>
<td>650--------------------------------------------------------------------------------------------------------</td>
<td>750--------------------------------------------------------------------------------------------------------</td>
<td>15.38%</td>
</tr>
<tr>
<td>Fauquier County</td>
<td>4,600</td>
<td>680--------------------------------------------------------------------------------------------------------</td>
<td>670--------------------------------------------------------------------------------------------------------</td>
<td>-1.47%</td>
</tr>
<tr>
<td>Madison County</td>
<td>990</td>
<td>135--------------------------------------------------------------------------------------------------------</td>
<td>50--------------------------------------------------------------------------------------------------------</td>
<td>-62.96%</td>
</tr>
<tr>
<td>Orange County</td>
<td>3,045</td>
<td>255--------------------------------------------------------------------------------------------------------</td>
<td>485--------------------------------------------------------------------------------------------------------</td>
<td>90.19%</td>
</tr>
<tr>
<td>Rappahannock County</td>
<td>710</td>
<td>80--------------------------------------------------------------------------------------------------------</td>
<td>85--------------------------------------------------------------------------------------------------------</td>
<td>6.25%</td>
</tr>
</tbody>
</table>

*US Census Bureau, 2009-2013 American Community Survey 5-Year Averages
**US Census Bureau, 2006-2010 American Community Survey 5-Year Averages

More of our neighbors struggle with poverty than ever before.

Since 2000, the number of persons in poverty across the region increased more than 37%.

Today, that number totals 13,700 – more than the entire population of Madison County.

2000 Census SF3 data; 2012-2016 American Community Survey
Net Population is Increasing

Within counties, population change is disparate

Building Permits have been slow to pick up

New Multifamily is extremely limited

Sales and Rental Prices result from this pressure

Incomes have remained flat

Seniors and the extremely low income have experienced the brunt of these trends
# Direct Provider Feedback

<table>
<thead>
<tr>
<th>Top Needs</th>
<th>Top Gaps</th>
<th>Top Trends</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Rehabilitation of substandard housing</td>
<td>Lack of affordable financing</td>
<td>Increasing demand for rental housing</td>
</tr>
<tr>
<td>2 Shortage of affordable rentals</td>
<td>Lack of infrastructure (public transit, water/sewer, etc.)</td>
<td>Flat or declining incomes</td>
</tr>
<tr>
<td>3 Home accessibility modifications for aging in place</td>
<td>Limited capacity of providers</td>
<td>Growing senior population</td>
</tr>
</tbody>
</table>
Direct Provider Feedback

Aging Population’s Housing Needs

- Isolation from caregivers, emergency services, retail, etc.
- Cannot maintain homes/property, threatening safety and value
- Unable to afford expensive home accessibility modifications

www.housingvirginia.org
Direct Provider Feedback

Rental Housing

- Lack of affordable rentals (very few subsidized units available)
- High demand between downsizing seniors and entry-level workers
- Many barriers and costs for multifamily developments in rural areas
Homeownership

- Need more high-quality, affordable starter homes
- Builders incentivized to build large-lot, luxury homes
- Low wages prevent access to mortgage credit

$500,000 → $125,000
Direct Provider Feedback

Condition of Housing Stock

- Many older homes substandard in quality
- Nonprofits that offer emergency repair and rehab struggle with limited capacity and funding

Funding through USDA-RD, HOME, etc.
Regional nonprofits (home repair)
Policy Options

Growing Senior Population

1. Promote programs that provide home rehab, repair, safety, and accessibility
2. “Village” models that utilize volunteers to provide support
3. Standardized protocols for evaluating home safety and needs
4. Encourage development of new affordable senior rental communities located near services
5. Centralized clearinghouse for home accessibility resources and information
Policy Options

Housing Quality

1. Expand housing rehab/repair programs
2. Identify new resources for energy efficiency programs
3. Expand utilization of RD 504 loans to finance home repairs
4. Promote replacement housing programs, especially for manufactured homes
5. Encourage models that utilize volunteers (Habitat for Humanity; Rebuilding Together; Appalachian Service Project)
Policy Options

Rental Housing

1. Increase focus on mixed income and mixed use projects in rural towns
2. Support development of new rental housing with LIHTC and other types of assistance
3. Increased use of RD 538 and Fannie Mae small rental programs
4. Develop programs to support and incentivize developers to undertake small, rural rental projects
Policy Options

Homeownership

1. Strategy to reconvert single-family detached homes back to homeownership
2. Better targeting of new housing development to where new jobs are being created
3. Support new home development that is high quality and modest in size/cost
4. Improve access to mortgage credit repair and counseling classes
Policy Options

Manufactured Housing

1. Target replacement of older mobile homes with newer, high quality models
2. Mobile home park revitalization and infrastructure development
3. Seek improved financing options for MH buyers (Duty to Serve)
4. Facilitate placement of MH on permanent foundations and/or owned land to treat as real property
5. Lower barriers to titling MH as real property
Current Status

1. Resources available on Housing Virginia website
2. Rural Retreat (early September)
3. Technical assistance + field visits
4. Rural Funders Strategy Group
5. Housing Summits
6. HarVa
**Housing Action for Rural Virginia**

**What is HARVa?**

Housing Action for Rural Virginia (HARVa) is a coalition of nonprofit rural housing providers developing strategic solutions for the unique housing challenges faced by rural Virginia.

- Regional Partnership
- Innovative Solutions
- Rural Virginians

Interested in learning more? Contact admin@housingvirginia.org
New! Full Rural Housing Report & Brief Now Available!

Housing Virginia has completed the full narrative report on the state of rural housing in Virginia. We will be continuing this initiative in 2017 by coordinating with housing providers to facilitate capacity building in rural Virginia.

You can find the full report and a 4-page research brief by clicking the images below.
Thank You
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