Housing in Fauquier County

STAKEHOLDERS MEETING, AUGUST 30, 2018
2016 Housing Needs and Market Analysis

Sponsored by Greater Piedmont Realtors—focused on four aspects:
- Profile of Existing Households and Housing Stock
- Housing Market Overview
- Future Housing Forecasts
- Summary of Future Housing Needs
Profile of Existing Households

Diverse Inventory of Households: 30% of County’s Households have Children under 18
24% Married with Children
50+% are Married w/ no Children or Adults Alone

Majority (78%) Home Ownership
Home Owners Income* ($103,455) > Renters Income* ($49,834)

* American Community Survey, 1-year Averages, 2014

Figure 4: Fauquier County Household Income by Age of Householder

Source: American Community Survey, 1-year averages, 2014
Profile of Existing Housing Stock

Predominantly Single Family Detached (83+%)  
Since 2001, 96% of New Units have been Single Family Detached  
More than Half of the County’s Housing Units were Built Between 1960 and 1999  
1980 – Present: 400 units/year
Housing Market Overview

3 Different Groups:
- Local Workers (40% of resident workforce, avg annual wage $48,000)
- NoVA Commuters (60% of resident workforce, annual wage $70,000)
- Seniors and Retirees (16% of Resident Base)

Multiple Distinct Markets:
- Warrenton (Most Diverse and Most Active)
- South/Bealeton (Lowest-priced, Active and with Price Appreciation)
- North (Highest-priced, Least Active)

Rental Market is Primarily Lower-cost, and in Single Family Units or Small Apartment Buildings
Future Housing Forecasts

Significant Demand (9,941 new units) at Multiple Price Points between now and 2040

Demand Concentrated at Lower and Upper Ends of Price Scale

Owner Occupied

Largest Demand (2,930 units, 29.5%) for Owner Occupied Units Priced Under $250,000

Significant Demand (1,745 units, 17.6%) for Owner Occupied Units Priced Over $500,000

Renter Occupied

Largest Demand (1,398 units, 59%) for Rental Units Under $1,500/month

Significant Demand (500 units, 21%) for Rental Units Over $2,000/month
Summary of Future Housing Needs

Local Workers: Income < $75,000, Affordable House < $300,000, Rent < $1,250/month

NoVA Commuters: Income > $75,000, Affordable House $300-500K, Rent >$2,500

Seniors/Retirees: Locals Desire Newer, Smaller units >$250,000, Those Retiring from outside County Desire >$400,000

Income estimations are for Households which average 1.54 employed members

Source: Forecasts by David E. Versel, AICP
Summary of Future Housing Needs

Figure 21: Sources of Future Housing Demand in Fauquier County, 2015-2040
All Figures in Current (2016) Dollars

For Sale: 76%

- Under $250K, 29.3%
- $250-300K, 17.6%
- $300-400K, 17.6%
- $300-400K, 8.7%
- $400-500K, 2.2%
- Under $1,250, 10.8%
- $1,250-1,499, 3.5%
- $1,500-1,999, 4.8%
- $2,000-2,499, 1.7%
- $2,500+, 3.4%

Rental: 24%

Source: Forecasts by David E. Versel, AICP
What We Know (Or At Least Think We Do)

24,777 Households

MEDIAN HOUSEHOLD INCOME
Owners - $117,012
Renters - $56,994

HOUSEHOLD SIZE
Owners – 2.9 per unit
Renters – 2.39 per unit

* American Community Survey, 1-year Averages, 2016
What We Know (Or At Least Think We Do)

Change in Fauquier County Owner Occupancy Rates

- **2012**: 80.8% Owner Occupied, 19.2% Renter Occupied
- **2013**: 78.2% Owner Occupied, 21.8% Renter Occupied
- **2014**: 77.5% Owner Occupied, 22.5% Renter Occupied
- **2015**: 76.4% Owner Occupied, 23.6% Renter Occupied
- **2016**: 75.4% Owner Occupied, 24.6% Renter Occupied
What We Know (Or At Least Think We Do)

Figure 3a - Occupied Housing Units by Year Built

- 2010 or later: 39%
- 2000 to 2009: 21%
- 1980 to 1999: 22%
- 1960 to 1979: 7%
- 1940 to 1959: 9%
- 1939 or earlier: 2%

Figure 3b - Owner-Occupied Housing Units by Year Built

- 2010 or later: 40%
- 2000 to 2009: 26%
- 1980 to 1999: 12%
- 1960 to 1979: 6%
- 1940 to 1959: 7%
- 1939 or earlier: 2%

Figure 3c - Renter-Occupied Housing Units by Year Built

- 2010 or later: 33%
- 2000 to 2009: 11%
- 1980 to 1999: 16%
- 1960 to 1979: 26%
- 1940 to 1959: 12%
- 1939 or earlier: 2%
What We Know (Or At Least Think We Do)

<table>
<thead>
<tr>
<th>Affordable Housing</th>
<th>Income Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Workforce Affordable Housing</td>
<td>80-120% of Area Median Income</td>
</tr>
<tr>
<td>Moderate Income Affordable Housing</td>
<td>60-80% of Area Median Income</td>
</tr>
<tr>
<td>Low Income Affordable Housing</td>
<td>60% or Less of Area Median Income</td>
</tr>
</tbody>
</table>

But What is Area Median Income and Does it Reflect the “Right” Population?
## What We Know (Or At Least Think We Do)

<table>
<thead>
<tr>
<th>Income Category</th>
<th>Median Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>Median Household Income for Fauquier County Residents</td>
<td>$91,221</td>
</tr>
<tr>
<td>Median Household Income for Jobs in Fauquier County</td>
<td>$77,239</td>
</tr>
<tr>
<td>Median Household Income for Fauquier County Employees</td>
<td>$84,927</td>
</tr>
<tr>
<td>Median Household Income for FC Public Schools Employees</td>
<td>$67,232</td>
</tr>
</tbody>
</table>

### Individual Median Incomes:

<table>
<thead>
<tr>
<th>Employee Type</th>
<th>Median Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>FC Resident</td>
<td>$59,234</td>
</tr>
<tr>
<td>Employed in FC</td>
<td>$50,076</td>
</tr>
<tr>
<td>FC Employee</td>
<td>$55,148</td>
</tr>
<tr>
<td>FCPS Employee</td>
<td>$43,657</td>
</tr>
</tbody>
</table>
What We Know (Or At Least Think We Do)

Assumptions to Determining “Affordability”:

- 28% of Monthly Income Spent on Housing Expenses
- Homeowner Contributes 5% Down Payment
- 30-Year Mortgage Interest Rate is 4.5%
- Annual Mortgage Insurance Cost is 1% of Home Cost
- Annual Homeowners Insurance is 0.35% of Home Cost
What We Know (Or At Least Think We Do)

Affordable House Price for Fauquier County Residents: $357,696
Affordable House Price for Jobs in Fauquier County: $302,874
Affordable House Price for Fauquier County Employees: $333,023
Affordable House for Price FC Public Schools Employees: $263,626

Affordable House Price for:

FC Resident: $232,268
FC Employee: $216,303
Employed in FC: $196,358
FCPS Employee: $171,184
What We Know (Or At Least Think We Do)

Comparison of Housing Stock and Market Stock in Relation to Household Income

- Percentage of Population with Household Income to Afford Housing Stock
- Percentage of Total Housing Stock
What We Know (Or At Least Think We Do)

Comparison of Housing Stock and Market Stock in Relation to Household Income

- Percentage of Population with Household Income to Afford Housing Stock
- Percentage of Total Housing Stock
- Percentage of Active Listings
Comparison of Housing Stock and Market Stock in Relation to Household Income

- Percentage of Population with Household Income to Afford Housing Stock
- Percentage of Total Housing Stock
- Percentage of Active Listings
- Percentage of Under Contract Units
What We Know (Or At Least Think We Do)
What You’ve Told Us

Important Housing Types to be Provided:
Affordable options for purchase and rent located near to transportation, employment and service opportunities

Impediments to Home Ownership:
Lack of supply; lack of political will to house affordable/workforce units; lack of market incentive to construct affordable units; lack of rental options; Zoning impediments; Density concerns
What You’ve Told Us

Maximum monthly payment:

$750-$1,500 or 30-35% of gross monthly income

What can the County Do:

Accept/increase density; subsidize/discount land; proactively rezone land; support non-profits; utilize tax credits; provide “soft” loans; provide infrastructure; streamline permitting
What You’ve Told Us

Inhibitors to Housing Under $300,000:
Costs (proffers, tap fees, land, time), development requirements, lack of entitled land, politics, County preference for low density

Inhibitors to Alternative Housing Types:
Costs, zoning, public attitudes, utilities, ability to defray fixed costs

Issues with Existing Overlay:
Awareness, applicability, clarity, lack of flexibility, lack of certainty
What You’ve Told Us

Possible Incentives:

Relief from Code of Development requirements, relief from proffers, reduced review times, increased density, by-right zoning in desired locations, reduced tap fees, density increases/lot size reductions, provision of public land, zoning flexibility, availability of utility infrastructure.
What You’ve Told Us

County Role in Facilitating Housing:

Reduce administrative barriers, reduce/remove proffers, increase density within Service Districts, political will to overcome “no more rooftops”, adoption of WDU program, increase zoning densities and flexibilities, reconsider central water system requirements, collaborate with private sector, increase provision of utilities within Service Districts.
Questions?
Breakout Group Themes
Cost of Land, Labor and Materials
Community Attitudes
Service Districts, Regulations and Infrastructure
Long Term Affordability
Financing
Others?