



## CITY OF HARRISONBURG COMMUNITY DEVELOPMENT

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To: Planning Commission  
From: Department of Community Development  
Date: July 14, 2021 (Regular Meeting)  
Re: Discuss Letter to City Council regarding Affordable Housing Incentives

At the June 9, 2021 Planning Commission meeting, Commissioner Kathy Whitten read a letter she wrote on the topic of affordable housing that encourages the City to appeal to the state legislature for changes to the State Code. After some discussion, the Commission agreed to review Commissioner Whitten's letter and send comments to Thanh Dang who would compile the comments to share with the Planning Commission at the July 14, 2021 meeting, with the intent to draft a letter from the Planning Commission to City Council.

Commissioner Whitten's letter and Chair Brent Finnegan's comment are provided below.

### *Commissioner Whitten's Letter*

In light of the Subdivision and Zoning Ordinance Review and Rewrite, I feel that we must consider incentives to encourage affordable housing starts. We can continue to talk about it at every meeting, but until we take action, we will remain on square one. Because of Dillon Rule restrictions, I propose that we as a city appeal to the state legislature for relief from state law in order to provide housing opportunities for our residents. Waiting for developers to do this for us is futile. They must consider their own "bottom line" and cannot be expected to give away housing without some considerations. Let us look for the solutions to the issues that led to the lack of affordable housing and offer developers incentives to build or redevelop existing housing to meet the needs of our city. Some examples:

\*Expedited permitting and fee waivers...Fees can be deferred leaving \$ to cover development costs, and the deferred portion of the fee can be paid as rents begin to be paid. Fees can also be reduced if certain, agreed upon targets are reached for affordable units for the market.

\*Density bonuses

\*London plan...60% of all new build housing must be affordable, by formula...60% would be too high in our market, but what might be reasonable?

\*We should look closely at what property is available in our city. What apartments are under-utilized and dilapidated?

Our legislators are here in our area for most of the year. We must speak with them and make our concerns known before they go to Richmond. This gives them the opportunity to network with those from other parts of the state with similar concerns and interests. There are also areas that have already addressed these problems that could shed light on what works and what may not. Could we please agree to arrange a meeting to discuss the needs that we have discovered in our city and explore options to move forward through the process of change.

Respectfully,

Kathy Whitten

#### *Chair Finnegan's Comments*

Here are my comments. I suppose this is a bit of a re-write of Kathy's letter that incorporates references to the housing study:

The city is currently in the process of reviewing and updating our Zoning and Subdivision Ordinance to allow for more housing to be built in the city. While this is a much-needed update, allowing more market-rate housing alone will not solve our affordable housing crisis.

The Comprehensive Housing Assessment & Market Study published earlier this year makes it clear that Harrisonburg has a shortage of housing options for low-income individuals and families. The study recommended several actions the city should take to address our affordable housing crisis, including fee waivers, prioritizing city resources to finance affordable housing initiatives, creating an affordable housing set-aside policy, creating a local housing trust fund, and advocating for policy changes at the state level.

In addition to implementing recommendations from the study, the Harrisonburg Planning Commission encourages City Council to work with state legislators to allow Harrisonburg to pursue affordable policies that are not currently an option under Dillon's Rule, such as inclusionary zoning.\* We urge City Council to work with our legislators to increase the tactics available to address the affordable housing crisis.

\*<https://www.cvilletomorrow.org/articles/city-council-asks-state-to-expand-local-tools-for-affordable-housing/>