



# Central Shenandoah

Regional Housing Study

CONSUMER REPORT

---

## CSPDC

---

Central Shenandoah Planning District Commission



# Contents

## I. INTRODUCTION

A. Study Partners

B. Engaging Local Experts

## II. REGIONAL FINDINGS

A. Defining the Region

B. Understanding the Data

## III. REGIONAL STRATEGIES

## IV. LOCAL FINDINGS AND STRATEGIES

A. Staunton-Augusta-Waynesboro (SAW) Region

B. Harrisonburg-Rockingham MSA Region

C. Bath-Highland Region

D. Rockbridge Region

## V. CONCLUSION



# Acknowledgments

The Central Shenandoah Planning District Commission extends its appreciation to the individuals and organizations whose generous contributions have been instrumental in shaping this report. Their invaluable insights, guidance, and cooperation have enriched the depth and credibility of our findings, making this study a collective achievement.

**Virginia Housing**

**Virginia Center  
for Housing Research**

**HousingForward Virginia**

**Regional Housing Study  
Leadership Team Members**

**Regional Housing Study  
Consortium Group Members**

**Augusta County  
and Town of Craigsville**

**Bath County**

**Highland County  
and Town of Monterey**

**Rockbridge County  
and Towns of Glasgow  
and Goshen**

**Rockingham County  
and seven associated towns**

**City of Buena Vista**

**City of Harrisonburg**

**City of Lexington**

**City of Staunton**

**City of Waynesboro**





# I. Introduction

The Central Shenandoah Planning District Commission (CSPDC) region represents the counties of Augusta, Bath, Highland, Rockbridge, and Rockingham; the cities of Buena Vista, Harrisonburg, Lexington, Staunton, and Waynesboro; and 11 associated towns. Nestled within the scenic landscapes of Virginia's Shenandoah Valley and Allegheny Mountains, the CSPDC footprint is collectively renowned for its agricultural heritage, outdoor recreational opportunities, and historic small towns. The CSPDC region is increasingly attracting tourists and residents alike, growing nearly 8% since 2010. However, with sustained economic growth comes continued pressures on housing affordability and availability as the region attempts to meet escalating demand.

Over the past several years, localities in the CSPDC footprint have demonstrated a shared interest in better understanding the housing challenges faced within our region. Collective feedback highlighted a genuine need for a comprehensive regional housing study, underscoring the community's desire to gain deeper insights into housing accessibility, affordability, and diversity. This study aims to help unravel these challenges, foster informed decision-making, and provide sustainable housing solutions that resonate with the aspirations and needs of our region.



## Study Partners

The Central Shenandoah Regional Housing Study was made possible through the generous support of Virginia Housing's Community Impact Grant program. The CSPDC worked with two consultants—the Virginia Center for Housing Research at Virginia Tech and HousingForward Virginia—to conduct the study and develop the strategies set forth in this report.

Additional project support was provided by:

The Housing Study Consortium Group, a large advisory board that met quarterly and comprised representatives from local government staff, area nonprofits, lenders, bankers, Realtors, and housing service providers.

The Housing Study Leadership Team, a smaller working group that met quarterly to review report drafts, discuss potential recommendations, and provide local expertise to drive the report's overall direction.



## Engaging Local Experts

In addition to critical feedback provided by the Housing Study Consortium Group and Leadership Team, the CSPDC and study consultants facilitated **22 focus groups** and **six interviews with local experts** to gain insight on housing in the region from the perspective of Realtors, lenders, developers and property owners, service providers, educators, university faculty and staff, and both small and major employers.

These experts' invaluable perspectives provided crucial insights for grasping the nuances of the Central Shenandoah housing market. This report incorporates focus group data throughout, using the information to offer qualitative support that underpins the conclusions and solutions presented.



22  
focus  
groups

6  
interviews  
with local  
experts

## » About This Report

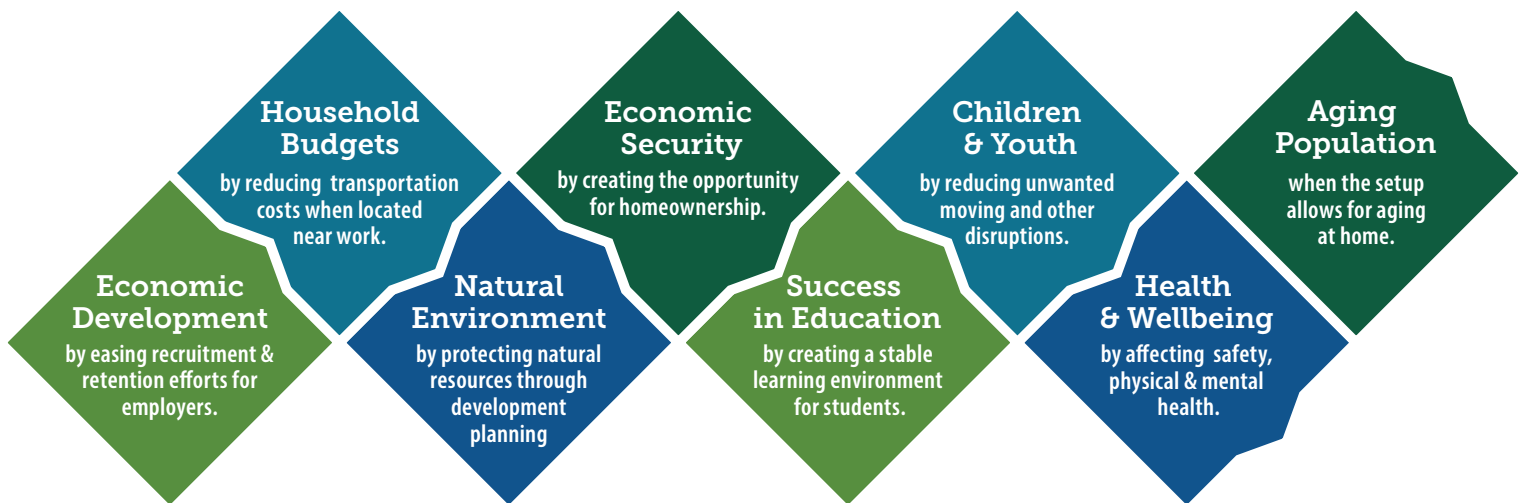
The Central Shenandoah Regional Housing Study provides both regional and local findings and strategies. The regional section of this report includes two components: a holistic picture of how local housing markets influence one another and strategies for how the CSPDC and other regional partners can collaboratively address housing issues. The local section of the report recognizes each locality's unique housing opportunities and challenges and offers recommendations tailored to each local context.

This report summarizes the Central Shenandoah Housing Study Detailed Report, which can be found online at: <https://connect.cspdc.org>.

# The Power of Home—Understanding Housing’s Impact



## Housing Can Postive Impact On...



Localities are increasingly recognizing that a healthy housing market is essential to a thriving community. Beyond providing basic shelter, housing provides a stable foundation for individuals and families, shaping their well-being and fostering a sense of belonging. Access to safe, affordable housing fosters educational opportunities, improves access to healthcare, and adds vibrancy to our local economy and workforce.

As the Central Shenandoah region continues to grow, our localities face not only nationwide housing pressures, including rising construction costs, labor shortages, and zoning and regulatory barriers, but also

more locally specific challenges such as an aging housing stock, limited housing development in rural areas, and a relative shortage of affordable housing providers.

As stated in the 2023 Comprehensive Economic Development Strategy (CEDS), the Central Shenandoah region is committed to ensuring desirable and sustainable economic opportunities while meeting the needs of its multigenerational communities and maintaining its treasured assets and quality of life. As such, the most recent CEDS identifies housing as a top priority, with a goal of addressing immediate and long-term housing needs to ensure that all

residents and workers have an affordable place to live.

This report will share housing data insights and associated strategies that can be used by local government staff, elected officials, and other local leaders to advocate for housing policies and programs that address the region’s most pressing housing challenges. It is our hope that this report will serve as a catalyst for improving housing for all in the Central Shenandoah region.



## II. Regional Findings

### Defining the Region

The Central Shenandoah region stands geographically as the largest planning district commission region in the state. Its diverse makeup spans both sparsely populated rural counties and denser cities and university towns. The Central Shenandoah Planning District Commission region includes five distinct housing markets: two MSAs and three counties, including the cities and towns within them. As such, it is useful to think of the Central Shenandoah footprint in terms of four subregions:

#### **Staunton-Augusta-Waynesboro (SAW) Region**

Staunton City, Waynesboro City, Augusta County, and the Town of Craigsville

#### **Harrisonburg-Rockingham MSA Region**

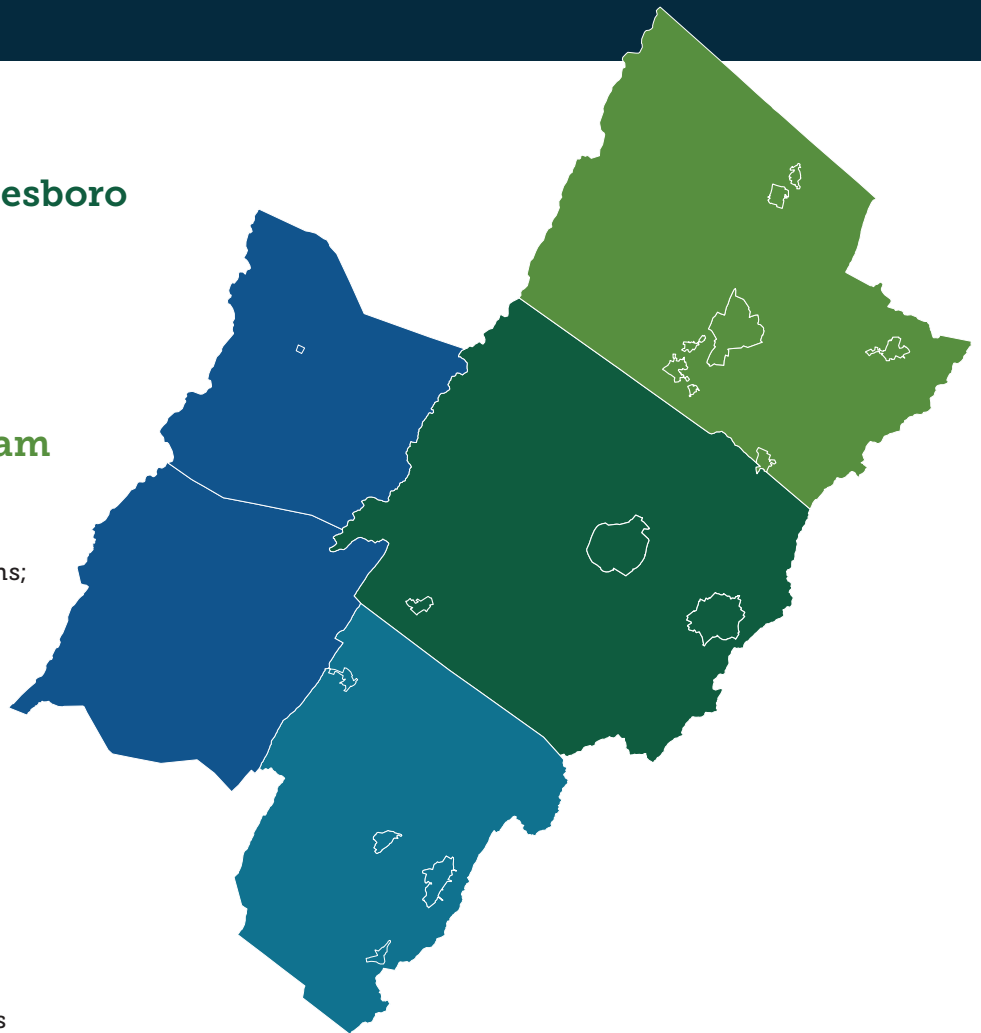
Harrisonburg City, Rockingham County, and the seven associated towns; Bridgewater, Broadway, Dayton, Elkton, Grottoes, Mount Crawford, and Timberville

#### **Bath-Highland Region**

Bath County, Highland County, and the Town of Monterey

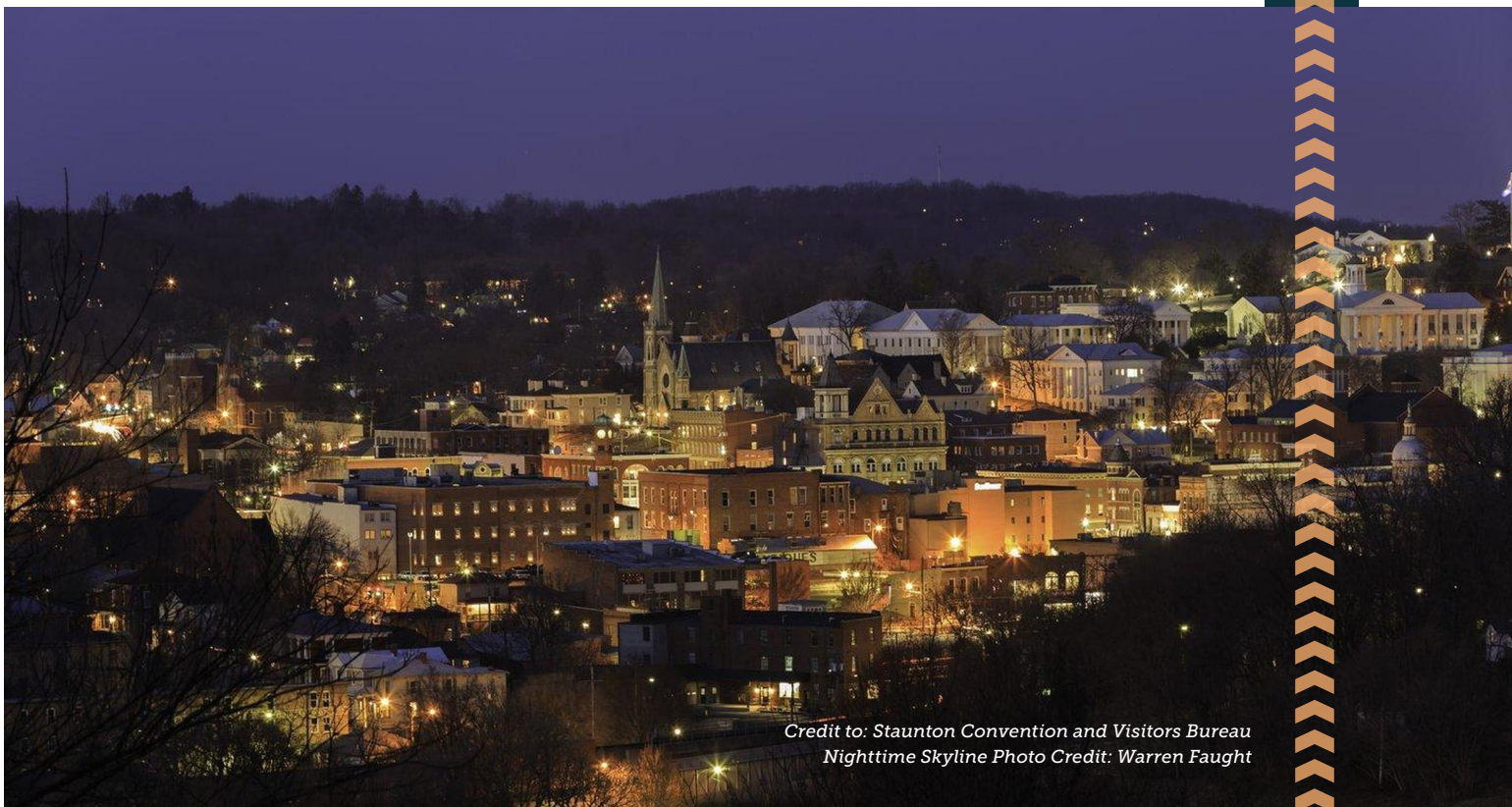
#### **Rockbridge Region**

Buena Vista City and Lexington City, Rockbridge County, and the two towns of Glasgow and Goshen



Throughout the following section, the four subregions will be referenced to highlight differences in populations and housing markets across the region.





*Credit to: Staunton Convention and Visitors Bureau  
Nighttime Skyline Photo Credit: Warren Faught*

## The Staunton-Augusta-Waynesboro (SAW) Region



**126K**  
residents

The SAW region lies between the Allegheny and Blue Ridge mountains and includes Augusta County, the cities of Staunton and Waynesboro, and the town of Craigsville. Offering urban and rural settings, the SAW region is home to more than 126,000 residents and houses key institutions like Augusta Health and significant industrial employers. Staunton thrives as an educational and cultural hub with its historic downtown, while Waynesboro, historically industrial but seeing significant recent economic investment, draws outdoor enthusiasts near Shenandoah National Park and the Blue Ridge Parkway to its downtown amenities.



## The Harrisonburg-Rockingham MSA Region



**139K**  
residents

The Harrisonburg-Rockingham MSA is uniquely positioned as both the most populous of the four subregions in the Central Shenandoah footprint—with more than 139,000 residents—and as the most prominent agricultural county in the state. The City of Harrisonburg, which serves as the county seat, is anchored by James Madison University and known for its thriving local economy and diverse cultural community. More than anywhere else in the Central Shenandoah region, the Harrisonburg housing market is heavily influenced by the student population. Surrounding Rockingham County blends its scenic beauty with a robust agricultural and manufacturing economy. Additionally, the county is enriched by seven towns—Bridgewater, Broadway, Dayton, Elkton, Grottoes, Mount Crawford, and Timberville—each offering historic charm and vibrant local businesses.





## The Bath-Highland Region



**6,800**  
residents

The Bath-Highland region, comprising two counties nestled in the Allegheny Mountains, is renowned for its natural beauty and outdoor tourism. Bath County, with over 4,200 residents and the Omni Homestead Hotel, draws global tourists and short-term employees, while Highland County, home to approximately 2,200 residents, boasts an agricultural legacy and annual attractions like the Highland County Maple Festival. Both counties have seen an influx of new residents and short-term rentals due to increased interest in remote work, allowing individuals to embrace rural living while keeping their jobs. As the Bath-Highland region strives to capitalize on these pull factors, it must also balance the need for housing for existing residents and prospective employees.





## The Rockbridge Region



**36K**  
residents

The Rockbridge region is located in the southern portion of the Central Shenandoah footprint and encompasses a blend of rural charm, outdoor recreation, and vibrant university towns. Home to more than 36,000 people, the region comprises Rockbridge County, the cities of Lexington and Buena Vista, and the towns of Glasgow and Goshen. The City of Lexington is the county seat and an important educational, retail, commercial, and governmental center. The City of Buena Vista is the industrial and manufacturing nucleus of the area. The Rockbridge region is a unique housing submarket offering urban, suburban, rural, and small-town lifestyles to those who live and work in the region as well as those working in surrounding metro areas: Staunton MSA, the Roanoke area, and the Lynchburg-Amherst area.

## Understanding the Data

This section will provide an overview of the housing trends observed across the entire Central Shenandoah footprint, highlighting defining features within its four distinct subregions and identifying commonalities that thread through the region as a whole.

Data for this report were gathered from four main sources: American Community Survey (ACS) published tables, ACS Public Use Microdata Sample (PUMS) files, the Department of Housing and Urban Development (HUD) Comprehensive Housing Affordability Strategy (CHAS) data, and multiple listing service (MLS) data from the region's three Associations of REALTORS®. These resources were supplemented with U.S. Bureau of Labor Statistics (BLS) earnings by occupation data, JobsEQ employment by occupation data, and OnTheMap data from the U.S. Census Bureau, Center for Economic Studies.

The data in this report are enriched by input from focus groups, listening sessions, and interviews, as well as feedback from the Housing Study Leadership Team and Consortium Group.

The Central Shenandoah footprint includes two Metropolitan Statistical Areas (MSAs): Staunton-August-Waynesboro (SAW) and the Harrisonburg MSA. MSAs are defined based on commuting patterns and represent "a core area containing a substantial population nucleus, together with adjacent communities having a high degree of economic and social integration with that core." MSAs are good approximations of housing markets because households usually seek a home within a reasonable commute of their job or a job within a reasonable commute of their home. Households will also consider proximity to services and amenities, balancing them with other preferences for a rural or urban setting, proximity to

family, and other factors. These geographies are more densely populated and generally have robust data available from public sources.

Households with preferences for rural or small-town settings (whether based on family ties, occupations, or lifestyle) often live outside MSAs. Bath, Highland, Rockbridge, Lexington, and Buena Vista are all outside MSAs. Rockbridge, Lexington, and Buena Vista are submarkets in a crossroads, impacted by a number of metro areas (i.e., SAW, Roanoke, Lynchburg) and corridors that lead to metro areas, as well as to even more rural places in Bath and Alleghany counties. Bath and Highland counties, both rural and mountainous, are the most remote submarkets of the Central Shenandoah footprint. *Data for more rural, less densely populated places is limited.*







## People

All the markets and submarkets in the Central Shenandoah footprint grapple with the nearly universal challenge of meeting housing needs for the variety of individuals and households in each jurisdiction. These communities overlap and include students, workers, retirees,

families, and vulnerable populations. This study addresses many of these household types for each jurisdiction; however, some analysis was only possible for the entire Central Shenandoah PDC. Common themes and region-wide analysis is presented in this section.

## Workers

Most households (71%) in the Central Shenandoah footprint include at least one worker. Housing affordability and availability for workers is a central concern for all jurisdictions within the footprint. Low-wage service workers such as cashiers, retail sales people, fast-food workers, waitstaff, and personal care aides will struggle to find affordable housing without sharing costs with another earner. In some subregions,

median homeownership costs are entirely out of reach for people working in these occupations, no matter their skill/experience level or living arrangement. Focus group participants explained that the lack of affordable housing makes it hard to recruit and retain employees, making it difficult for retail and restaurants to maintain regular hours and, more critically, for healthcare providers and schools to build up necessary staffing.

**71%**  
**households**  
**include at**  
**least one**  
**worker**



40%

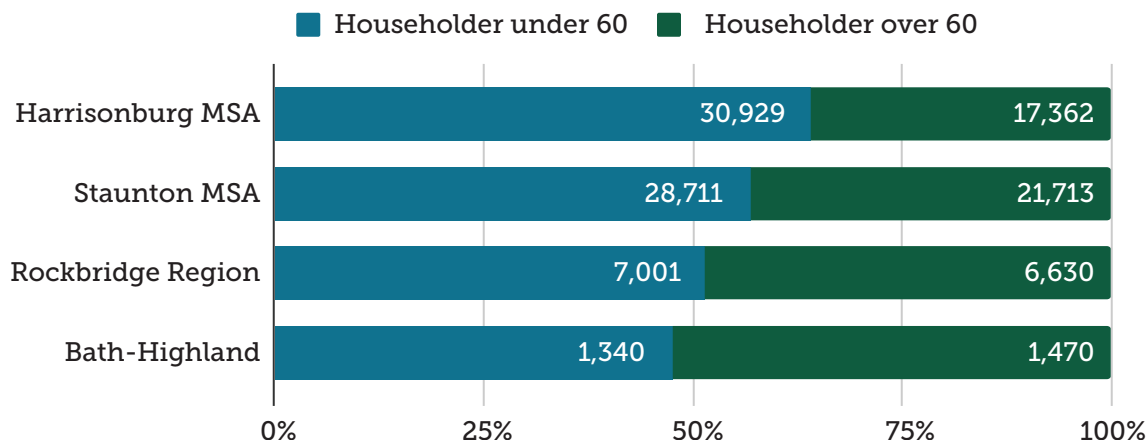
are Senior  
(60 or older)

## Seniors

Just over 40% of Central Shenandoah householders are 60 or older. Though the percentage of aging adults varies, they represent a substantial portion of the population in each subregion. Some aging householders experience housing challenges and vulnerabilities. Approximately a quarter of households led by someone 62 and older spend more than 30% of their income on housing and may make choices between housing costs and other necessities like

medication and food. Among households led by people 62 and older, non-family households (most of which are single householders, living-alone) are cost-burdened or severely cost-burdened at twice the rate of married couple households led by someone 62 or older. In many of the Central Shenandoah subregions, single seniors cannot afford median rent or owner costs and will likely struggle to afford housing if they do not own their home free and clear.

## Age of Householder by Locality



6,000

Student head  
of household

## Students

More than 4,200 households in the Central Shenandoah footprint are led by an undergraduate student, and about 1,800 are led by a graduate student. Most undergraduate-led households live in the Harrisonburg MSA (71%), are nonfamily households, and are renting their home. Most undergraduate householders are younger than 23. There are too few households led by graduate students to conduct precise analysis. Nonetheless, approximately half are family households, most (90%) are older than 23, about half own their own home, and more than half (56%) live outside the Harrisonburg

MSA. Graduate students closely reflect household characteristics of all households (students and nonstudents) in the Central Shenandoah footprint. Given the similarities between graduate students and the rest of the population, the study focused quantitative analysis on the impact of undergraduate students in the Harrisonburg MSA. Because students impact markets in the SAW and Rockbridge regions, as well, the study includes qualitative data from focus group discussions for these regions.

5,000

Households  
at risk for  
homelessness

## Vulnerable Populations

There are approximately 5,000 households at risk of homelessness in the Central Shenandoah footprint<sup>1</sup>. Single earner/income households are among some of the most vulnerable households because they can rarely afford median owner costs and can only afford median rent in a few instances (e.g., a single female 65 or older with median income can afford the median rent in Highland). Because these vulnerabilities vary by region, they are discussed in more detail in the technical version of this report.

The region also has an estimated 265 people comprising 186 households who are unhoused (experiencing homelessness). The availability of services for households in crisis varies throughout Central Shenandoah. Where services are extremely limited or non-existent, households are forced to leave their community in order to access emergency or rapid rehousing assistance. Where services are more

robust, focus groups and stakeholders describe the need for better coordination or simply more services. These needs are discussed in more detail in the technical version of the report.

Some unhoused individuals and households need greater support to attain and sustain housing. To estimate the region's need for permanent supportive housing, VCHR applied Center for Support Housing (CSH) methodologies. In general, CSH estimates that 90% of chronically unhoused people and 10% of non-chronically unhoused people have needs consistent with permanent supportive housing. According to HUD point-in-time counts, there are 33 chronically unhoused individuals and 232 non-chronically unhoused individuals in the Central Shenandoah region. Thus, the region needs additional supportive housing for 53 individuals.

## Housing

Housing stock—specifically its size, type, location, and condition—will influence who can and will live in a place. In high-demand submarkets, if the amount of housing can't meet demand, then prices and rents increase. Meanwhile, some niche submarkets rely on attracting select households interested in rural, small-town, or remote lifestyles.

Although small-town living is increasing in demand, remote lifestyles are less popular than they once were. The Central Shenandoah footprint includes a variety

of markets and submarkets--urban, suburban, exurban, and rural. Details of each submarket are discussed in regional sections below. An overview of the entire Central Shenandoah footprint is provided here.

<sup>1</sup>Households at risk of homelessness are estimated as cost-burdened households with incomes at or below 30% AMI, and severely cost-burdened households with incomes greater than 30% but below 50% of AMI.



## Market Conditions

Throughout the region, housing that is for sale or for rent (aka “on the market”) is scarce. Housing that is “on the market”—for-sale or for-rent— is scarce throughout the region. Market weakness that existed in the aftermath of the great recession has resolved and in the case of the two MSAs, Harrisonburg-Rockingham and Staunton-Augusta-Waynesboro, turned into market tightness. There is too little for-sale inventory in each of the MSA jurisdictions. First-time homebuyers as well as low and moderate income buyers increasingly find homeownership out of reach in these markets. The quantity of for-sale inventory in Highland, Bath, and the Rockbridge region is adequate, but additional units will need to be added to keep up with demand.

Additional rental units are also needed in most areas of the Central Shenandoah footprint. In the two MSAs, rental vacancy is lowest in the principal cities: Harrisonburg and Staunton. In SAW additional units could be absorbed in

Waynesboro, Stuarts Draft and Fishersville also. In the Harrisonburg MSA, Rockingham county at-large has a low rental vacancy rate and could likely absorb new rental units in both incorporated towns as well as unincorporated areas of the county. In the Rockbridge region, Buena Vista’s extremely low rental vacancy rate indicates that the city critically needs more rental units and steep increases in rents in Lexington also indicate the need for more rental units. The county’s rental vacancy rate is healthy to high indicating that additional rental units may not be absorbed there and if they are, would likely weaken the rental market discouraging investment. Finally, both Bath and Highland limited rental housing opportunities and stakeholders from both places offered examples of how the limited rental market prevents their communities from attracting workers they need such as teachers and medical professionals.



## Short-Term Rentals

As housing markets become increasingly tight, with little availability for both homebuyer and renters, communities across the Central Shenandoah footprint have become concerned about homes becoming short-term rental properties used for tourists and visitors rather than residents. VCHR analyzed data on units listed with AirBnb and VBRO over the 2014-2022 period. The table below shows the average number units that were operated in each month of 2022. Across localities, these units account for 2 percent or less of the total housing stock. The localities with the most short-term rentals as a part of the housing stock are Bath County, Rockbridge County, Rockingham County and Highland County. Since the housing markets in Bath and Highland already have low rental vacancy rates and Rockingham County has extremely low inventory of for-sale units, additional demand for units from visitors and tourists increases the need for additional, new units.

**Table X. Monthly Average of Active Short-term rentals in CSPDC**

Source: VCHR tabulation of 2022 AirDNA data and 2022 ACS 5-year Estimates

	STRs	Percent of All Housing Units
Staunton	136	1.1%
Augusta County	155	0.5%
Waynesboro	51	0.5%
Rockbridge County	209	1.9%
Buena Vista	18	0.6%
Lexington	40	1.6%
Rockingham County	692	1.9%
Harrisonburg	56	0.3%
Bath County	68	2.0%
Highland County	33	1.8%

**≤ 2%**  
of the total  
housing  
stock across  
all localities



# Age and Condition of Housing Stock

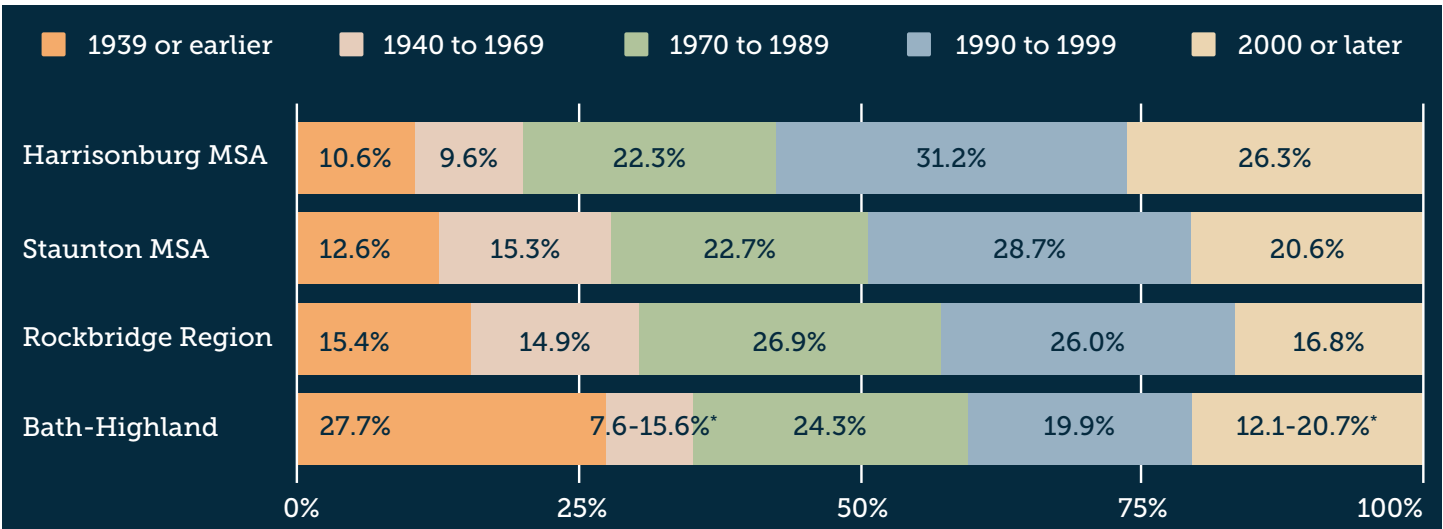
Stakeholders across the Central Shenandoah footprint mentioned concerns about housing conditions. Focus group participants discussed dilapidated single-family homes that need to be demolished; for-sale inventory that needs updates and in some cases, substantial repair; housing that need rehabilitation and modifications for current residents; multi-family rental housing that has been neglected by landlords; and mobile homes that need replacement, among other conditions-related challenges.

A places' stock of housing units is built up over time and has a lineage based on demand and economic conditions throughout the decades. Housing needs regular maintenance and investments in upgrades to keep it both safe and relevant. Investments in housing are encouraged by market conditions that allow owner occupants and landlord to recoup their investments when they sell or rent their property and when competition in the market that upgrades and improvements are required to attract renter or buyers. In addition to these market conditions, owner and landlords must have enough money (or access to financing) to make improvements to their property.

Bath, Highland, and the Rockbridge region have among the oldest housing stock in the Central Shenandoah footprint. They also have slower-paced markets than the two MSAs. In slower paced markets, lower demand, less frequent sales, and lower returns on sales are generally associated with fewer upgrades and in some cases, poorer conditions. Many places across the Central Shenandoah footprint have demand that outstrips supply. These high-demand markets are "sellers" market where buyers are described as "settling" for whatever is available. Sellers can get high prices for properties sold "as is" with few upgrades. Similarly, landlords do not have to compete for renters with upgraded properties and high-quality property management. Focus groups participants and stakeholders described renters that endure substandard conditions because they fear being "kicked out" in favor of renters who will tolerate poor conditions. Finally, in every jurisdiction throughout the Central Shenandoah footprint there are owners who struggle to afford housing and may forego housing maintenance and upgrades in favor of other necessities like medical care, childcare, and food.

## Housing Units by Year Built in the CSPDC Region

Source: CSPDC Tabulation of 2021 ACS 5-year estimates





## III. Regional Strategies

Each of the five regional strategies falls into one of three categories:

### STRATEGIC PRIORITIES

build the region's capacity to make significant progress but often require substantial collaboration and investment.

1

**Establish a Hub  
for Home  
Improvement  
Grants & Resources**

2

**Support  
Permanent  
Housing Options**

### EASY WINS

require fewer decision points and could demonstrate meaningful success in the near future.

1

**Introduce  
the Community  
Land Trust  
Homeownership  
Model**

1

**Pursue  
Regional  
Land Bank  
Entity**

2

**Expand Housing  
Counseling  
Services**





## STRATEGIC PRIORITIES

### 1: Establish a Hub for Home Improvement Grants & Resources

#### What It Does

Many residents struggle to access home improvement resources and funding, leading to declining property maintenance and housing quality. A centralized online hub would streamline access to grants, loans, and other assistance for home repairs and renovations across the region.

#### How to Do It

- 1. Create a user-friendly portal:**  
Develop an online platform that consolidates information on all available home improvement programs and resources.
- 2. Streamline applications:**  
Implement a unified application system allowing residents to apply for multiple programs through one form.
- 3. Provide direct support:**  
Establish hotline hours and workshops to help residents navigate the application process and available resources.
- 4. Partner with organizations:**  
Collaborate with local governments, nonprofits, and financial institutions to gather and regularly update information on available programs.



#### How to Fund It

Funding could come from pooled resources from participating localities, grants from philanthropic foundations, and state funding sources like the Community Development Block Grant (CDBG) program or Virginia Housing grants.

#### Who Does What

CSPDC would lead a task force of localities, agencies, and providers to oversee development of the web portal. Local governments and housing organizations would provide program information and support outreach efforts.

#### How to Measure Success

- 1.** Number of residents using the portal
- 2.** Amount of funding distributed through centralized applications
- 3.** Reduction in vacant/blighted properties
- 4.** Improved housing quality metrics across the region



## STRATEGIC PRIORITIES

### 2: Support Permanent Housing Options to help end homelessness

#### What It Does

The region lacks sustainable housing alternatives for those experiencing homelessness, with current shelter services unable to meet long-term needs. A comprehensive plan to increase permanent supportive housing and introduce new non-shelter options would boost housing supply and provide long-term solutions to homelessness.

#### How to Do It

- 1. Develop a strategic plan:**  
Create a comprehensive plan focused on increasing housing supply and investing in prevention programs.
- 2. Form regional collaborations:**  
Organize a regionwide group of practitioners to coordinate activities and share knowledge.
- 3. Expand housing options:**  
Establish new low-barrier shelters and encourage legalization of single-room occupancy units.
- 4. Partner with developers:**  
Form proactive partnerships to include permanent supportive housing units in new proposals.

#### How to Fund It

Funding could come from federal HOME funds (if a regional consortium is formed), investments from healthcare systems, and grants from Virginia Housing and other state programs.

#### How to Measure Success

1. Number of new permanent supportive housing units developed
2. Reduction in chronic homelessness rates
3. Increased housing stability for formerly homeless individuals
4. Amount of funding secured from new partnerships and source

#### Who Does What

CSPDC would facilitate formation of a regional task force and support strategic planning. Valley Community Services Board and Western Virginia Continuum of Care would lead implementation efforts, while local governments and housing authorities would provide support and resources.







## EASY WIN

### 1: Introduce the Community Land Trust Homeownership Model

#### What It Does

Rising housing costs are making homeownership increasingly difficult for low- and middle-income families in the region. Introducing the community land trust (CLT) model would create permanently affordable homeownership opportunities by separating land ownership from home ownership, allowing buyers to purchase only the home while the CLT retains ownership of the land.

#### How to Do It

- 1. Partner with existing CLT:**  
Engage the Virginia Statewide Community Land Trust (VSCLT) to bring its established model to the region.
- 2. Secure funding:**  
Work with local governments to allocate federal funds (CDBG, HOME) and local resources to support CLT home development.
- 3. Identify properties:**  
Find suitable land or homes for the CLT model, including surplus government property and vacant parcels.
- 4. Educate the community:**  
Launch outreach efforts to explain the CLT model and cultivate potential homebuyers.



#### How to Fund It

Funding would come from a mix of public sources (e.g., federal CDBG and HOME funds, local government contributions) and private sources (e.g., philanthropic organizations, major employers, and institutions interested in affordable homeownership).

#### How to Measure Success

- 1.** Number of CLT homes created and occupied
- 2.** Increase in homeownership rates for low- and moderate-income families
- 3.** Amount of public and private funding secured for CLT development
- 4.** Long-term affordability maintained for CLT homes over time



## BACKGROUND WORK

### 1: Pursue Regional Land Bank Entity

#### What It Does

Vacant and underutilized properties are holding back development in many areas of the region. Creating a regional land bank entity would allow for strategic acquisition and redevelopment of these properties into affordable housing and other community assets.

#### How to Do It

- 1. Assess property inventory:**  
Identify surplus and severely blighted properties within each locality.
- 2. Develop priorities:**  
Establish overarching goals for a regional land bank, including affordable housing development.
- 3. Create entity structure:**  
Evaluate options for creating a new land bank or expanding an existing organization's capacity.
- 4. Engage stakeholders:**  
Educate developers and community members about the land bank process.

#### Who Does What

CSPDC would coordinate efforts to explore land bank options and engage with local governments. Local governments would provide properties and financial support, while developers would apply for and develop land bank properties.

#### How to Fund It

Funding could come from Virginia Housing capacity building grants, local government appropriations, CDBG funding, and philanthropic sources aligned with the land bank's mission.

#### How to Measure Success

- 1.** Number of properties acquired and redeveloped through the land bank
- 2.** Increase in affordable housing units created
- 3.** Reduction in vacant and blighted properties
- 4.** Amount of investment leveraged in target areas





## BACKGROUND WORK

### 2: Expand Housing Counseling Services

#### What It Does

The region has limited housing counseling services, which don't cover all localities or address the full spectrum of housing needs. Expanding these services would provide comprehensive support to homeowners, prospective buyers, and renters across the entire region.

#### How to Do It

- 1. Assess current capacity:** Conduct a regional inventory of existing housing counseling services and identify gaps.
- 2. Expand service coverage:** Leverage existing providers to extend reach and add new services like rental and post-purchase counseling.
- 3. Implement virtual options:** Establish remote counseling capabilities to reach clients in rural areas.
- 4. Secure diverse funding:** Apply for federal, state, and local grants while also seeking private and corporate sponsors.



#### Who Does What

CSPDC would coordinate regional efforts and facilitate partnerships. Existing counseling providers would expand their services, while local governments and philanthropic foundations would provide support and funding.

#### How to Fund It

Funding would come from a mix of federal and state grants for housing counseling programs, local government contributions, and partnerships with banks, lenders, and private foundations.

#### How to Measure Success

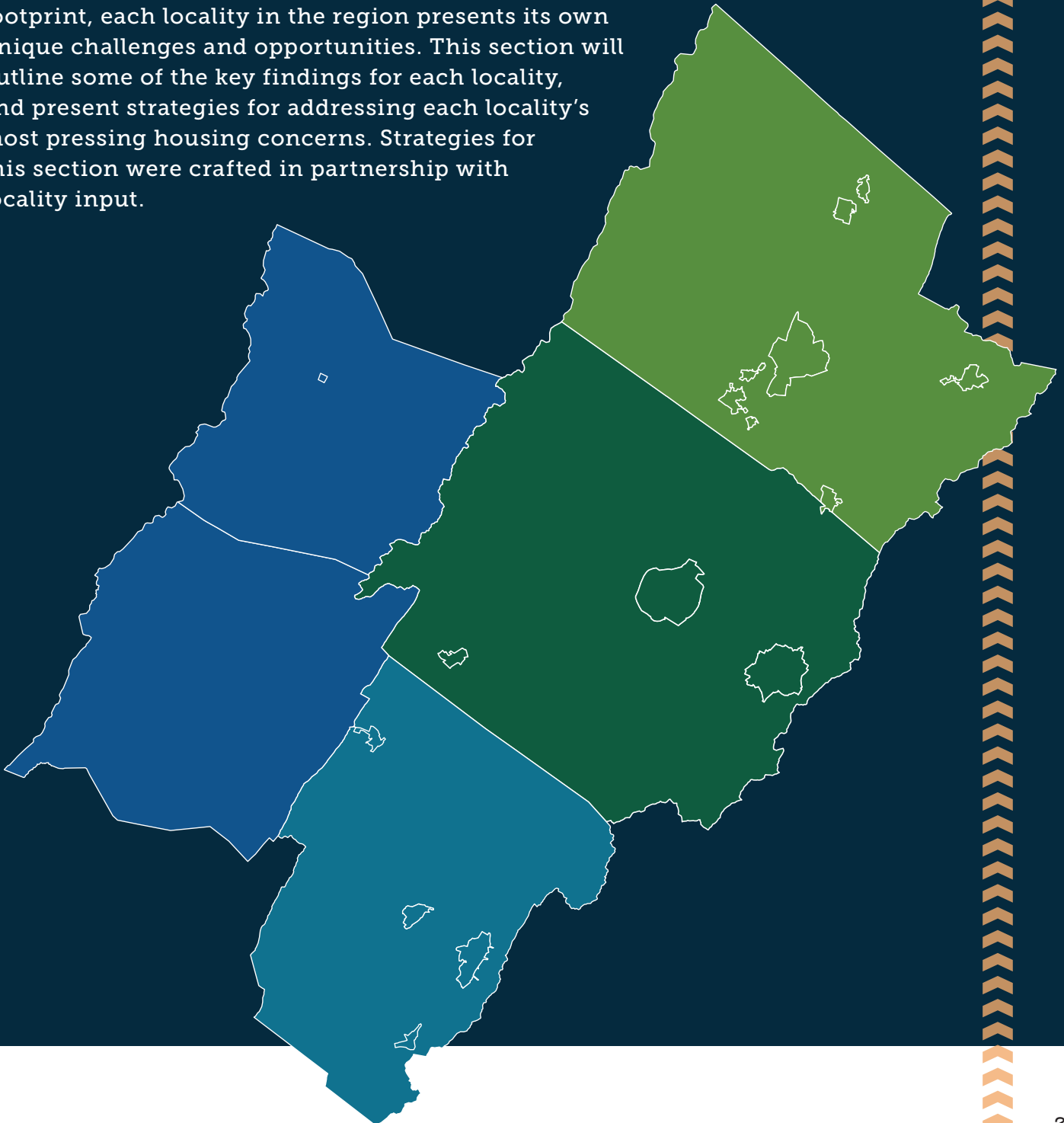
- 1.** Number of clients served by expanded counseling services
- 2.** Geographic coverage of counseling services across the region
- 3.** Improved housing stability and financial outcomes for clients
- 4.** Amount and diversity of funding secured for ongoing operations





## VI. Local Findings and Strategies

While the preceding section outlines the commonalities across the Central Shenandoah footprint, each locality in the region presents its own unique challenges and opportunities. This section will outline some of the key findings for each locality, and present strategies for addressing each locality's most pressing housing concerns. Strategies for this section were crafted in partnership with locality input.



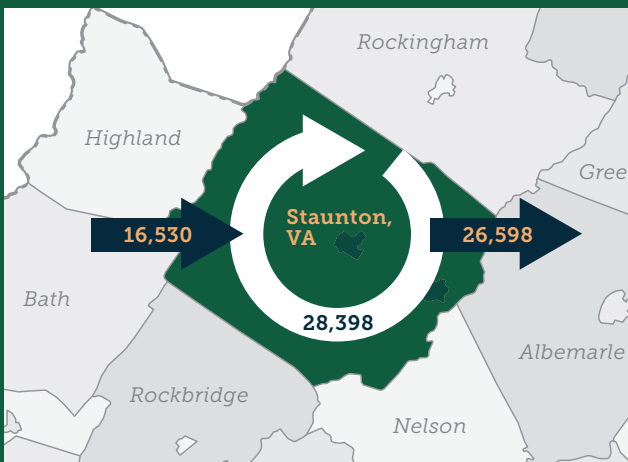
# Staunton-Augusta-Waynesboro (SAW) Region



As one of the two Metropolitan Statistical Areas (MSAs) in the Central Shenandoah footprint, the SAW region is a major employment center and, therefore, a large portion of the regional housing market. Nearly two-thirds (63%) of the SAW region's population lives and works in the area, while 37% commute out to neighboring jurisdictions. Focus group participants noted a growing trend in households who work in Charlottesville and live in the SAW region for more affordable housing options, causing strain on an already tight housing market.

## Inflow and Outflow of Workers

Source: U.S.Census Bureau, Center for Economic Studies, LEHD



While the majority of households in the region are homeowners (70%), this is primarily attributed to high homeownership rates in Augusta County. Rentership is more common in Staunton and Waynesboro, particularly among younger households. Staunton and Waynesboro also have a higher concentration of cost-burdened households, particularly among renters (42%).

Service area providers in the SAW footprint discussed a lack of both deeply subsidized rental housing and rental

assistance in the area, and emphasized that renters in need of emergency assistance often have extremely limited or no options in the SAW region. Service providers have also noted a substantial uptick in senior homelessness over the past five years.

As a major employment center in the Central Shenandoah footprint, localities in the SAW region should pay close attention to how housing prices correlate with pay in top employment sectors. Several of the Staunton MSA's top earning occupations—including truck drivers, registered nurses, general laborers, and general/operations managers—are associated with higher wages and will find more housing within their budget. However, workers in service or support occupations may struggle to find affordable housing. Workers earning at the median in five of the top 10 occupations by employment in the SAW region would need housing costs less than \$800 per month in order to avoid cost burden, while 3 out of 10 would need housing costs less than \$600 a month, significantly below the average rent in the SAW region. In terms of

126K  
residents

70%  
are  
homeowners

37%  
are  
commuters

homeownership, service workers are unlikely to be able to access affordable homeownership, even when doubled up with another household member making a similar salary.

Developing new subsidized rental housing with a priority for local workers and affordable homeownership options would allow the Staunton MSA to more easily retain its current workforce and attract new workers. Additionally, because the SAW region increasingly serves as an alternative housing market to neighboring jurisdictions, such as Harrisonburg and Charlottesville, the region can benefit from preserving existing subsidized stock and adding additional affordable units.

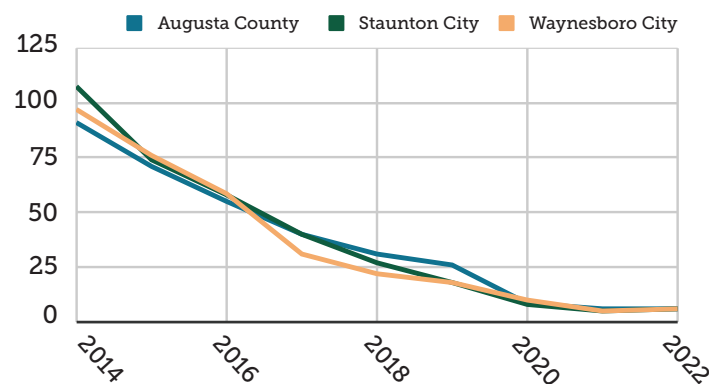
Housing age and condition emerged as a key theme in focus group conversations. On the whole, the age of housing stock in the SAW region is distributed evenly. However, much of the newly built housing is concentrated in Augusta County. In contrast, 43% of all housing in Staunton and one-third of all housing in Waynesboro was built prior to 1960. Service providers noted that a substantial amount of Staunton's and Waynesboro's aging housing stock is in need of critical home repair for both rental and owned units. Ten percent of Augusta County's housing stock consists of manufactured and mobile homes, many of which are also likely candidates for maintenance and repair or replacement.

Compounding this issue, the SAW region has experienced a tight homeownership and rental market in the past several years, with residential vacancy rates sitting between 2% and 3.5% and an average of six days on the market (DOM). While low vacancy and increased prices may encourage investments in homes due to expected rate of return, low vacancy rates may also encourage buyers to make minimal investments in previously owned-occupied properties for rental, or for tenants to accept sub-standard rental conditions due to limited options. The SAW region will benefit from using a variety

of housing programs to mitigate housing condition issues, including tax abatements for seniors, critical home repair grants, USDA home renovation loans, and the Weatherization Assistance Program (WAP).

## Median Days on the Market (DOM)

Source: VCHR tabulation of REALTOR sale data



Focus groups revealed that the SAW region grapples with providing adequate housing infrastructure for its most vulnerable residents, including those experiencing chronic housing insecurity, mental health conditions, and substance use disorder. These vulnerable populations tend to be extremely low income, and very little deeply subsidized rental inventory exists to house them. Service providers noted a substantial need for additional units paired with wrap-around services, as well as investments in permanent supportive housing, to appropriately house this population.

A 2023 report by the Virginia Department of Behavioral Health and Developmental Services indicated that the Valley Community Services Board area (comprising the Staunton MSA and Highland County) needs to add an additional 125 units to its existing 120 units of permanent supportive housing to meet current needs.



## PRIORITY SOLUTION 1

Leverage upcoming housing survey and strategy efforts to educate residents and strengthen comprehensive plan update



### What It Does

Staunton is undertaking several housing-related initiatives, including a Community Needs Survey, Consolidated Plan update, and a potential Local Housing Strategy. This solution aims to use these efforts as a foundation to educate the public about housing needs and solutions, building support for a robust housing component in the upcoming comprehensive plan update.

### How to Do It

- Use Community Needs Survey results and Consolidated Plan priorities to inform housing discussions.
- Apply for Virginia Housing grant to develop a Local Housing Strategy and Action Plan.
- Create educational materials explaining housing challenges and potential solutions.
- Host public engagement events aligned with the Local Housing Strategy process.
- Incorporate insights and public feedback into the comprehensive plan update.

### Who Does What

The Community Development Department will establish the timeline, integrate findings, coordinate with stakeholders, and oversee community engagement. The City Manager's Office will disseminate materials, support engagement efforts, and promote public meetings. The Planning Commission and City Council will guide the process, participate in engagements, and evaluate and adopt new policies.



### How to Fund It

Use local operating funds, apply for grants from Virginia Housing, and seek funding from philanthropic and corporate partners interested in housing and community development.

### How to Measure Success

- Completion of Consolidated Plan, Local Housing Strategy, and updated comprehensive plan
- Number of participants in engagement activities
- Improved public understanding of housing issues
- Increased support for diverse housing options among residents and leaders

## PRIORITY SOLUTION 2

Project quantifiable demand by incomes and housing types to determine what new funding sources are needed



### What It Does

Staunton lacks consistent funding for affordable housing and supportive services, as existing state and federal programs are insufficient to meet the city's needs. This solution aims to quantify housing demand across income levels and housing types, using this data to explore and implement innovative local funding approaches that can consistently support a variety of housing projects and activities.

### How to Do It

- Analyze housing needs: Conduct a detailed housing demand analysis using existing data and projections to quantify gaps by income levels and housing types.
- Set funding targets: Establish annual funding goals based on identified housing needs and potential economic benefits.
- Explore funding options: Evaluate various funding sources such as bonds, special assessments, and tax-increment financing, focusing on politically feasible options.
- Design allocation methods: Develop strategies for deploying funds, such as establishing a housing trust fund or creating a revolving loan program.
- Implement and monitor: Select and implement at least one new funding source within two years and track its impact on addressing housing needs.

### Who Does What

The Community Development Department will lead the housing analysis, while the Finance Department evaluates funding sources. The

City Manager's Office will oversee the process and engage stakeholders, with the City Council providing input and approving final recommendations.

### How to Fund It

Initial planning and analysis can be funded through the city's general fund or a Virginia Housing Community Impact Grant. Implementation costs will depend on the selected funding mechanism and can be determined during the evaluation process.

### How to Measure Success

- Completion of comprehensive housing demand analysis within 6 months
- Implementation of at least one new funding source within 2 years
- Amount of new funding generated for affordable housing initiatives
- Number of affordable housing units created or preserved as a result of new funding



## SECONDARY SOLUTION 1

Create alignment between housing and economic development activities



### What It Does

Integrating housing strategies with local economic development plans will help attract and retain talent moving to the area. By supporting and ensuring that diverse, affordable housing is built, the Staunton Economic Development Authority (EDA) can support economic stability and growth across the workforce spectrum.

### How to Do It

- The EDA can offer grants, incentives, revenue bonds, and real estate tax abatements to increase the financial viability of housing projects.
- Working with the City and other agencies, the EDA can acquire, consolidate, and lease parcels of land for mixed-use development, using methods such as land banking, land swaps, discounted sales, and long-term ground leasing.
- Serve as a resource for planning, executing, and managing projects, including applying for state planning grants and hosting knowledge-sharing events.

### How to Fund It

Increased administrative costs could be funded by additional support for personnel in the City budget. Revenue from the sale or long-term lease of properties could cover operational costs. Planning grants are available from state agencies, such as the Virginia Economic Development Partnership and Virginia Housing.



### How to Measure Success

- # of housing units developed with EDA support
- Amount of financial support provided to housing projects
- Reduction in housing costs relative to wage growth



## SECONDARY SOLUTION 2

Address vacant and blighted properties with evidence-based revitalization strategies



### What It Does

Staunton has vacant and abandoned properties that contribute to blight and hinder community growth. This strategy aims to inventory these properties, explore ways to convert them to productive uses like housing, and leverage partnerships to coordinate revitalization efforts.

### How to Do It

- Conduct a detailed survey and inventory of vacant/underutilized properties in the city.
- Explore options for addressing blighted homes based on state laws, including tax foreclosure and land banking.
- Partner with the Staunton Redevelopment and Housing Authority to acquire and rehabilitate vacant properties.
- Develop incentives and requirements for property owners to make improvements or repairs.
- Engage nonprofit developers to coordinate targeted revitalization projects.



### How to Fund It

The City can utilize Community Development Block Grant funds; state programs like Acquire, Renovate, Sell; and grants from Virginia Housing to support property acquisition, rehabilitation, and redevelopment efforts. Leveraging partnerships and incentives can help maximize available resources.

### How to Measure Success

- # of properties inventoried and assessed
- Decrease in vacant/blighted properties over time
- Increase in renovated/redeveloped properties
- New affordable housing units created





## PRIORITY SOLUTION 1

Assemble a comprehensive incentive package for new housing that serves lower-income and housing-insecure residents

### What It Does

New housing is expensive to build. In the wake of COVID-19, developers face rising labor and material costs, limited land inventory, more difficult financing options, and burdensome zoning rules and approval processes. To overcome these challenges and increase the supply of new affordable housing, the City can begin offering financial incentives to help important projects pencil out, as well as reducing regulatory barriers to save costs and expedite construction.

### How to Do It

- **Define eligibility:**  
Establish criteria for residential development incentives, including affordable units, income levels served, and location.
- **Offer tax exemptions:**  
Design partial real estate tax exemptions for rehabilitated, renovated, or replacement residential structures.
- **Provide financial incentives:**  
Use grants, tax abatements, revenue bonds, and land support mechanisms through the Economic Development Authority (EDA).
- **Reduce fees:**  
Explore waiving or reimbursing development fees and offering installment payment plans.
- **Streamline approvals:**  
Implement a fast-track approval process and simplify application procedures.
- **Adjust zoning:**  
Leverage density bonuses, reduce parking requirements, and expand by-right multi-family development.

### Who Does What

The Community Development Department can design and implement new incentive strategies, providing analysis and recommendations. The EDA can evaluate and develop incentives, partnering with developers. The City Council and Planning Commission would evaluate policies, hold public hearings, and adopt new ordinances. The Public Works Department would coordinate fee exemptions for affordable housing development.

### How to Fund It

Use Virginia Housing Community Impact Planning Grants, Virginia Resources Authority low-cost loans, and private funds from philanthropic foundations. Consider administrative costs for additional staff capacity.

### How to Measure Success

- # of new affordable housing units produced
- Reduction in homelessness or housing insecurity
- Amount of state, federal, and private investment leveraged for new developments



## PRIORITY SOLUTION 2

Use upcoming comprehensive plan update to prioritize long-term housing affordability in City's approach to land use

### What It Does

Waynesboro's upcoming comprehensive plan update presents an opportunity to address housing challenges and educate residents on the importance of diverse housing options. Existing residents often resist new housing due to misconceptions, which can hinder development. By increasing their understanding and awareness, the City can ensure a more successful adoption and implementation of new strategies.

### How to Do It

- **Plan the campaign:** Identify stakeholders, set clear objectives, and draft campaign goals to measure success.
- **Analyze existing conditions:** Conduct a detailed analysis of current and future housing requirements, using regional study and a review of current regulations.
- **Develop content:** Create content catering to various learning preferences with input from housing experts.
- **Engage the community:** Organize in-person and online events, prioritizing participation in existing community activities.
- **Evaluate:** Collect feedback through short surveys and determine important outcomes, such as increased understanding and support for affordable housing.
- **Pursue innovative strategies:** Educate the public about accessory dwelling units, manufactured housing, form-based code, and other new solutions that help create a range of housing options.

### Who Does What

The Community Development Department will lead the education campaign and comprehensive plan update, coordinating with other departments and overseeing engagement strategies, while the City Manager's Office will support these efforts by disseminating materials and organizing events. The Planning Commission and City Council will guide the process, participate in public engagement, liaise with constituents, and evaluate and adopt new policies as needed.

### How to Fund It

Use local operating funds, apply for grants from Virginia Housing, and seek funding from philanthropic and corporate partners interested in housing and community development.

### How to Measure Success

- # of residents engaged
- Increased understanding of housing issues
- Support for new housing policies
- Increased diversity of available housing



## SECONDARY SOLUTION 1

Evaluate and prioritize strategies for expanding supply of high-quality rental homes



### What It Does

When there is a limited supply of rental homes, many renters compete for the same units. This constant demand often lets property owners get away with keeping apartments in poor quality because they have no incentive to make improvements. Waynesboro can address this problem by exploring options to improve housing quality for existing renters alongside simultaneous efforts to increase the supply of affordable apartments.

### How to Do It

- Analyze data from various sources (code violations, resident complaints, property records, utility data, etc.) to identify patterns and problem areas.
- Conduct outreach to gather perspectives from landlords, renters, advocacy groups, and neighboring localities.
- Explore financial incentives for property owners, such as partial tax exemptions for rehabilitation or a revolving rental improvement fund.
- Evaluate options for a pilot rental inspection program, starting with a specific neighborhood.
- Improve conditions in manufactured home communities by partnering with regional organizations to fund demolition of pre-1976 mobile homes and provide relocation assistance.

### How to Fund It

A Virginia Housing Community Impact Planning Grant can provide up to \$20,000 for policy studies and analysis. General funds may be required for additional staffing, administrative costs, and potential revolving loan funds.

### How to Measure Success

- Reduction in number of code violation complaints
- Improvement in renter satisfaction survey results
- Increase in number of properties brought up to habitable standards
- Higher pass rates in rental inspection pilot program
- Number of low-income households transitioned from substandard mobile homes







## PRIORITY SOLUTION 1

Leverage comprehensive planning process to educate public about housing needs and solutions

### What It Does

Augusta County's ongoing comprehensive plan update presents an opportunity to address housing challenges and educate residents on the importance of diverse housing options. As of June 2024, several rounds of community engagement have been conducted, and County staff and consultants are now drafting the plan. The final review and adoption process is expected to begin in the fall. This process allows the County to develop strategies that increase housing opportunities while addressing public misunderstandings about housing and growth.

### How to Do It

- Integrate housing solutions into the comprehensive plan update, including diverse options, density bonuses, and regulatory efficiencies.
- Develop regulations for ADUs, cottage-style housing, and small-scale multifamily homes, emphasizing flexible requirements and updated standards.
- Implement density bonuses through an "affordable dwelling unit" ordinance and consider a "transfer of development rights" program for affordable housing and conservation.
- Enhance regulatory efficiencies by exploring form-based codes, reduced parking requirements, and a unified affordable housing overlay.
- Engage the public with illustrated guides, community ambassadors, workshops, and interactive web tools to explain and explore housing strategies.

### Who Does What

The Community Development Department will lead the process, establishing timelines, integrating findings, coordinating with stakeholders, and overseeing community engagement. The County Administrator's Office will support engagement efforts and promote public meetings. The Planning Commission and Board of Supervisors will guide the process, participate in engagements, and evaluate and adopt new policies.

### How to Fund It

Use local operating funds and apply for a Virginia Housing Community Impact Grant. Seek additional funding from philanthropic and corporate partners interested in housing and community development.

### How to Measure Success

- # of residents engaged
- Increased understanding of housing issues
- Support for new housing policies
- Increased diversity of available housing



## PRIORITY SOLUTION 2

Create alignment between housing and economic development activities



### What It Does

New housing is expensive to build. In the wake of COVID-19, developers face rising labor and material costs, limited land inventory, more difficult financing options, and burdensome approval processes. To overcome these challenges and ensure there is ample housing to support broader economic development initiatives, the County can begin offering financial incentives to help important projects pencil out, as well as reducing regulatory barriers to save costs and expedite construction.

### How to Do It

- **Define eligibility:**  
Establish criteria for residential development incentives, including affordable units, income levels served, and location.
- **Offer tax exemptions:**  
Design partial real estate tax exemptions for rehabilitated, renovated, or replacement residential structures.
- **Provide financial incentives:**  
Use grants, tax abatements, revenue bonds, and land support mechanisms through the Economic Development Authority (EDA).
- **Partner for expansion:**  
Working together with the Community Development Department and Augusta Water, the EDA can find new ways to fund needed infrastructure.
- **Streamline approvals:**  
Implement a fast-track approval process and simplify application procedures.
- **Adjust zoning following comprehensive plan update:** Orient land use regulations to promote lower-cost housing and reduce development timelines.

### Who Does What

The Community Development Department can design and implement new incentive strategies, providing analysis and recommendations. The EDA can evaluate and develop its own incentives, partnering with developers. The Board of Supervisors and Planning Commission would evaluate policies, hold public hearings, and adopt new ordinances. Augusta Water would coordinate fee exemptions for affordable housing development.

### How to Fund It

Use Virginia Housing Community Impact Planning Grants, Virginia Resources Authority low-cost loans, and private funds from philanthropic foundations. Consider administrative costs for additional staff capacity where needed.

### How to Measure Success

- # of new lower-cost housing units produced
- Share of workers who also live in the county
- Amount of state, federal, and private investment leveraged for new developments

## SECONDARY SOLUTION 1

Develop strategic approaches for preserving, replacing, and incorporating manufactured homes as lower-cost solution to homeownership



### What It Does

Manufactured homes provide a critical source of affordable housing, but many older units pose health, safety, and efficiency risks. By addressing these challenges, Augusta County can improve the quality of manufactured homes and promote their long-term viability as a homeownership option. This approach includes evaluating zoning ordinances, creating financial incentives, and leveraging grant funds for the removal of unsafe mobile homes.

### How to Do It

- **Analyze existing conditions:**  
Conduct a comprehensive survey and inventory of manufactured homes to understand their current state and distribution.
- **Evaluate zoning ordinances:**  
Review and update local zoning codes to encourage strategic placements of manufactured homes.
- **Identify financial incentives:**  
Explore reduced hookup fees, real estate tax rebates, and other financial incentives for qualifying manufactured homes.
- **Secure funding for old mobile home removal:** Collaborate with CSPDC, Virginia Housing, and DHCD to obtain funds for demolition and relocation assistance.
- **Partner with the Staunton Redevelopment and Housing Authority (SRHA):**  
Utilize condemnation, blight, and vacancy tools with SRHA to address poor-quality manufactured homes.

### How to Fund It

Use federal funds (CDBG, HOME, WAP), local general fund revenue, special fees or assessments, and private donations from philanthropic foundations.

### How to Measure Success

- # of manufactured homes assessed and improved
- Increase in the number of habitable and safe manufactured homes
- Amount of state, federal, and private investment leveraged
- Improved quality and integration of manufactured homes within the community



# Harrisonburg-Rockingham MSA Region



Situated in northern Central Shenandoah, the Harrisonburg-Rockingham Metropolitan Statistical Area (MSA) has diverse landscapes, including urban, agricultural, and mountainous environments. With a population nearing 139,000, the Harrisonburg-Rockingham MSA is the most populous subregion in Central Shenandoah. Harrisonburg, an independent city and a key educational and commercial hub, attracts commuters from Rockingham County and its seven towns, as well as neighboring counties. Conversely, many Harrisonburg residents commute to jobs in Rockingham County. The increasingly competitive housing market in the Harrisonburg-Rockingham MSA is straining renters and prospective buyers, highlighting the need for new, affordable housing opportunities to meet the demands of current and future workers.

The region is home to 48,291 households, with nearly two-thirds located in Rockingham County. In 2021, 76% of households in Rockingham County owned their homes, significantly higher than the 67% average homeownership rate across the MSA's seven towns and the 40% homeownership rate in Harrisonburg. The discrepancy between homeownership in Harrisonburg and Rockingham can largely be attributed to the substantial undergraduate student population, most of whom rent. However, most households in the region are family households, which are more prevalent in Rockingham County (70%) than in Harrisonburg (46%), where over half of the 9,258 households are composed of roommates.

A significant proportion of households in both Harrisonburg (32.9%) and Rockingham County (19%) are cost-burdened. In Harrisonburg, many are even considered seriously cost-burdened, with 17.9% paying over 50% of their income on housing. These cost-burdened households may have to compromise between housing and other necessities such as food, clothing, medical care, and education. Cost-burdened homeowners often delay property maintenance and forgo home upgrades in favor of more pressing needs such as food or transportation, resulting in the deterioration of these properties over time.

Renters in Harrisonburg also face significant financial pressures, with 44% struggling with housing costs. In Rockingham County, 32% of renters are similarly burdened. Cost-burdened renters experience greater housing instability and higher risks of eviction if they miss rent payments compared to mortgage payers, who typically have more protections. The housing environment in the Harrisonburg-Rockingham MSA is also significantly influenced by its student population, with over 29,000 students enrolled in schools across the region. Undergraduate households make up a total of 16% of cost-burdened households in the MSA. Though students do experience housing affordability challenges, their household income often does not reflect all the resources that contribute to housing and other living expenses. Institutional data such as the number of students eligible for Pell grants may be a more reliable source of estimates of students who may need housing supports.

**139K**  
residents

**48,291**  
households

**27%**  
are  
cost-burdened



Among the MSA's top 10 occupations, single earners in only three of these occupations can afford the median rent in Rockingham County and Harrisonburg without straining their budget: industrial truck and tractor operators, heavy and tractor-trailer truck drivers, and registered nurses. The picture becomes even more concerning when considering homeownership, as only registered nurses can afford the median owner costs with a mortgage as a single earner with median wages.

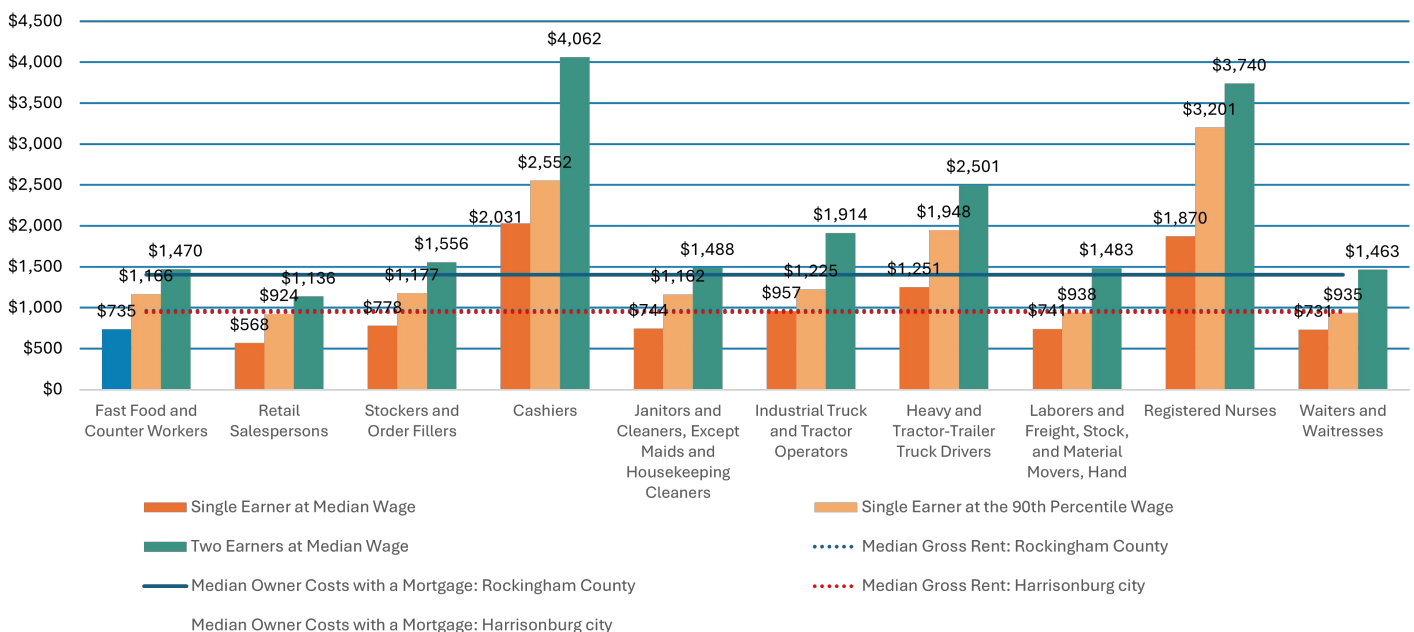
Focus group participants explained that anyone who earns less than \$50,000 per year would have difficulty finding a place to live. They described teachers and other public servants as needing a secondary income in order to support a family and to buy a home. They also explained that teachers and civil servants earn too much to benefit from programs that support homebuyers, although they cannot afford market prices.

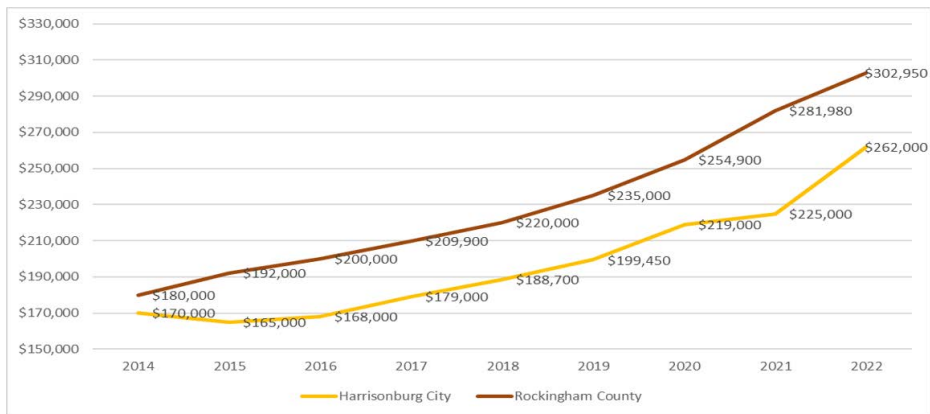
To cope with housing challenges, focus group participants described families doubling up, often leading to overcrowded conditions. More details on overcrowding are available in the technical version of the report.

The housing market in Harrisonburg and Rockingham has become increasingly competitive. In 2022, houses in Harrisonburg and Rockingham spent a median of just six days on the market, compared to 65 and 73 days, respectively, in 2014. With increasing demand and limited supply, prices have increased substantially, and the median house price is now \$262,000 in Harrisonburg and \$303,000 in Rockingham.

## Maximum Affordable Housing Costs for Top Ten Occupations by Employment Compared to Median Housing Costs

Source: VCHR tabulation of 2021 JobsEQ Employment, 2021 ACS 5-year Estimates





## Median Sold Price

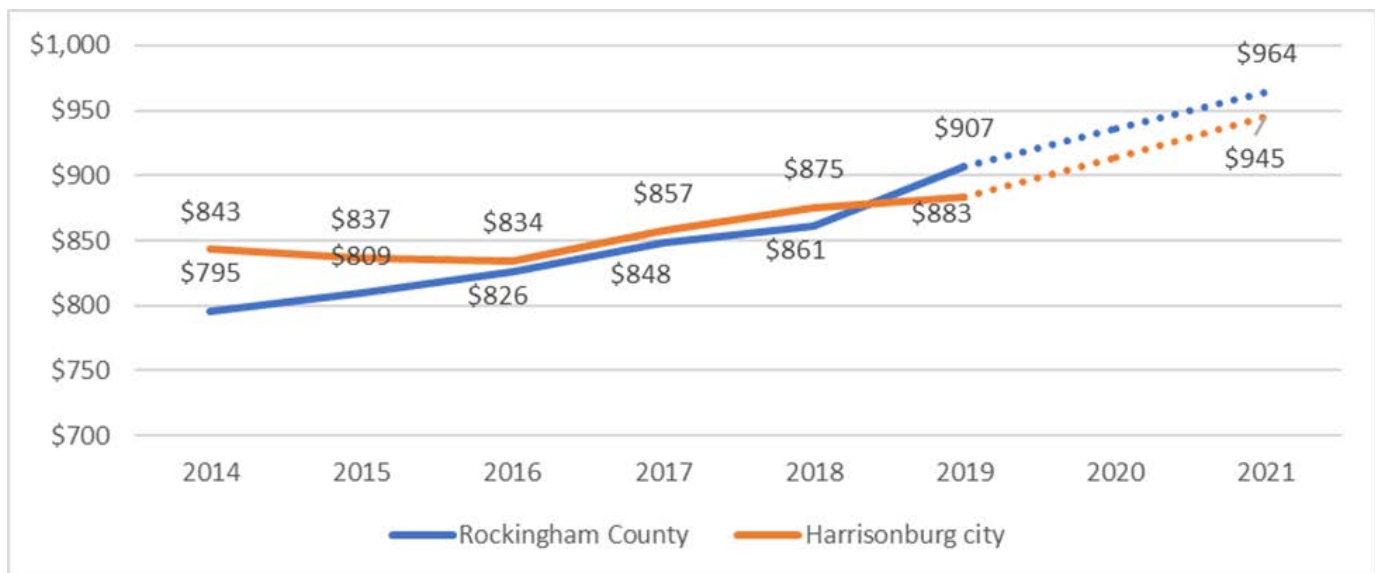
Source: VCHR tabulation of 2021-2022 of MLS Data

Trends in vacancy and rents indicate a rising demand for rental units. The continuous escalation of rents could create or exacerbate affordability issues for renters, many of whom already face housing instability. The rental market in Harrisonburg has shown fluctuating rents from 2014 to 2021. While rents declined from 2014 to 2016, they have gradually increased since 2017. Over the five years from 2016 to 2021, gross rents in the city have risen by approximately 13.3%. Median rent in the county, which includes the seven towns, has increased steadily over the 2014-2021 period.

To address the increasingly competitive housing market, the region will need to expand the housing inventory for both rental and homeownership. This is crucial for maintaining the MSA's appeal to future workers and students. Additionally, Harrisonburg and Rockingham County should explore income-restricted housing options to offer more sustainable options to the nearly 10,000 households burdened by housing costs in the region. Incentives and strategies to accelerate the construction of affordable housing units is essential. Focus group participants also identified the MSA's need for improved coordination of housing crisis services and the expansion of housing to serve the most vulnerable populations.

## Median Gross Rent

Source: VCHR tabulation of 2014-2021 ACS 5-year





## PRIORITY SOLUTION 1

Evaluate the feasibility of adopting density bonuses and an affordable housing dwelling unit ordinance to incentivize new affordable housing

### What It Does

Harrisonburg lacks affordable housing, especially for lower-income households. The City can seek a grant to study whether density bonuses would effectively incentivize developers to include affordable units in new projects, providing a clear path forward for this potential policy tool. This effort aligns with the City's ongoing zoning rewrite and priorities from its 2021 housing study.

### How to Do It

- Apply for a Virginia Housing grant to fund a focused market analysis of density bonuses.
- If awarded, hire a consultant to analyze the local market and determine appropriate bonus levels.
- Present findings to Planning Commission and City Council to inform potential policy adoption.

### Who Does What

The Housing Coordinator, with support from Community Development and other City departments, would lead the grant process and work with the consultant. City Council and Planning Commission would provide input, review recommendations, and make policy changes as desired.

### How to Fund It

Primary funding can come from a Virginia Housing Community Impact Grant (up to \$20,000), and be supplemented by additional general fund allocations from the City if a larger project budget is needed.

### How to Measure Success

- Grant awarded and study completed on time
- Clear understanding of density bonus feasibility
- Specific policy recommendations developed
- Integration with ongoing zoning rewrite process



## PRIORITY SOLUTION 2

Lay groundwork for a comprehensive evaluation of financing tools for affordable housing



### What It Does

The Department of Housing and Community Development classifies Harrisonburg as a locality in high fiscal stress. Before implementing new financing tools for affordable housing, the City needs expert analysis to understand which approaches could work within its budget constraints. This solution outlines how the City can secure a grant to fund a thorough study of potential financing options that align with Harrisonburg's fiscal capacity.

### How to Do It

- Apply for a Virginia Housing grant to fund an expert analysis of financing options.
- If awarded, hire consultants with municipal finance expertise to evaluate potential tools.
- Assess what's realistic given the City's revenue capacity and other priorities.
- Present findings to City Council to inform future housing finance decisions.

### Who Does What

The Housing Coordinator would lead the grant process with support from the Finance, Community Development, and Economic Development departments. The consultant team would provide analysis and recommendations. City Council, and other oversight boards as needed, would review findings and determine next steps.

### How to Fund It

Primary funding can come from a Virginia Housing Community Impact Grant (up to \$20,000), and be supplemented by additional general fund allocations from the City if a larger project budget is needed.

### How to Measure Success

- Grant awarded and study completed on time
- Clear understanding of feasible financing options
- Specific recommendations and priorities that account for fiscal constraints
- Integration with City's broader financial planning



## SECONDARY SOLUTION 1

Develop a paired approach for regulating short-term rentals and accessory dwelling units



### What It Does

Harrisonburg's zoning code currently prohibits accessory dwelling units (ADUs) and has limited provisions for short-term rentals (STRs), restricting housing choices and affordability. This solution would update the zoning ordinance to permit ADUs in residential districts while implementing balanced regulations for STRs that preserve housing for long-term residents.

### How to Do It

- Review ADU and STR regulations from other Virginia cities and analyze Harrisonburg's housing market.
- Draft amendments to zoning ordinance for ADUs and STRs within context of ongoing zoning rewrite.
- Conduct public engagement to gather feedback on proposed changes.
- Refine and present final draft to Planning Commission and City Council for approval.
- Implement new regulations and develop educational materials for property owners.

### How to Measure Success

- Number of ADU permits approved
- Change in overall housing units
- Number of registered STRs
- Impact on long-term rental housing supply and affordability
- Changes in lodging tax revenue

### How to Fund It

Funding could come from existing departmental budgets in the General Fund, as well as a Virginia Housing Community Impact Grant to potentially support detailed policy analysis and development. Long-term revenue could be generated by new permit fees for ADUs and increased lodging tax revenue from regulated STRs.



## SECONDARY SOLUTION 2

Pursue strategies to preserve both subsidized and market-affordable rental housing



### What It Does

Harrisonburg's affordable rental housing is at risk of being lost due to expiring subsidies, market pressures, and redevelopment, particularly in specific areas identified through careful analysis. This solution aims to preserve existing affordable units through targeted monitoring of at-risk properties, strategic work with property owners, and focused preservation efforts in priority areas.

### How to Do It

- Create inventory of affordable properties and monitor those at-risk.
- Engage with property owners to identify preservation opportunities.
- Establish a local housing preservation fund for loans/grants.
- Explore zoning changes like density bonuses to incentivize preservation.
- Partner with nonprofits to acquire and preserve at-risk properties.

### How to Fund It

The City can explore funding options through the comprehensive analysis being conducted under Priority Solution 2. Additional resources and tools will be evaluated based on findings from the municipal finance study.

### How to Measure Success

- Number of at-risk affordable units identified and monitored
- Number of affordable units preserved
- Amount of funding dedicated to preservation efforts
- Number of property owners engaged in preservation discussions





## PRIORITY SOLUTION 1

Prioritize implementation of strategies that expand housing options for essential workers

### What It Does

Encouraging sufficient affordable housing options will be vital to ensure the county can continue to attract and retain essential workers. This solution aims to increase the supply of housing affordable to the local workforce through coordinated zoning changes and partnering with employers and developers.

### How to Do It

- Update zoning to allow greater flexibility and more diverse housing types by-right in growth areas.
- Encourage employer-assisted housing programs.
- Form a workforce housing consortium of key stakeholders.

### Who Does What

The Community Development Department will lead zoning changes, while Economic Development could facilitate employer partnerships. The County Administrator's Office will provide strategic direction and the Board of Supervisors will approve new policies as needed.

### How to Fund It

Funding could come from state/federal grants like Virginia Housing and HUD programs and private sources including employer contributions.

### How to Measure Success

- Number of workforce housing units created
- Percentage of essential workers able to afford local housing
- Employer participation in housing programs
- Reduction in cost burden for target occupations



## SECONDARY SOLUTION 1

Evaluate manufactured housing options as part of comprehensive workforce housing strategy



### What It Does

One out of every ten homes in Rockingham County is a manufactured home. Given the county's focus on workforce housing near employment centers, it will be critical to determine how manufactured housing can fit into broader housing strategies. This solution identifies ways for the county to clearly understand the role manufactured housing plays in today's market, and to explore opportunities for it to promote diverse housing types in growth areas.

### How to Do It

- Create an inventory of manufactured home communities in the county to understand their role in workforce housing.
- Analyze comparative costs between manufactured and stick-built housing through developer interviews and industry engagement.
- Map manufactured communities relative to employment centers and growth areas.
- Develop data-driven recommendations for zoning changes that could expand housing options.
- Create targeted strategies to preserve well-located communities that serve workforce needs.

### How to Measure Success

- Complete analysis comparing manufactured versus stick-built development costs
- Identification of specific regulatory barriers to diverse housing types in growth areas
- Strategies for manufactured communities that align with workforce housing goals
- Clear policy recommendations based on housing assessment data

### How to Fund It

The County can apply for state grants to support this planning and research work, including Virginia Housing's Community Impact Grant, as well as Community Development Block Grant (CDBG) funds from DHCD. Local or regional philanthropic organizations could also be solicited for funding.







## PRIORITY SOLUTION 1

Create flexible zoning tools to encourage diverse housing options while maintaining town character

### What It Does

Bridgewater and Dayton face pressure to grow while preserving their small-town character. This solution implements flexible zoning tools to allow diverse housing types and mixed-use developments that meet community needs while maintaining local charm.

### How to Do It

- Adopt a Traditional Neighborhood Development ordinance allowing mixed housing types.
- Explore form-based code for specific areas to guide physical design.
- Create overlay districts for special purposes like senior housing.
- Implement a planned unit development classification for creative, mixed-use projects.

### Who Does What

Town staff can lead research and drafting of new zoning tools. Town Councils can review and approve new ordinances. Planning Commissions can assist in developing criteria and providing input.

### How to Fund It

With assistance from CSPDC, the towns can apply to Virginia Housing and DHCD planning grants that support policy development.

### How to Measure Success

- Number of diverse housing units approved under new tools
- Increase in mixed-use developments
- Community satisfaction with new developments
- Reduction in zoning variance requests





## PRIORITY SOLUTION 1

Create flexible zoning tools to encourage diverse housing options while maintaining town character

### What It Does

Broadway and Mount Crawford have aging housing stock facing maintenance challenges. This solution creates a multi-faceted rehabilitation program with financial assistance, proactive code enforcement, and education to help homeowners maintain older properties.

### How to Do It

- Establish a revolving loan fund for home repairs and façade improvement grants.
- Implement proactive code enforcement focused on education and assistance.
- Develop educational materials and workshops on home maintenance.
- Partner with local contractors for discounted services.

### Who Does What

Town staff can oversee program development, manage finances, and lead enforcement efforts. Town Councils can approve guidelines and funding. CSPDC will provide technical assistance.

### How to Fund It

CDBG funds can establish the loan fund and grants. Local budgets and private foundations can support administration and education.

### How to Measure Success

- Number and dollar amount of loans/grants issued
- Reduction in code violations
- Improvement in housing condition assessments
- Participant satisfaction rates





## PRIORITY SOLUTION 1

Guide smart growth to balance development and preservation

### What It Does

Timberville and Grottoes seek to balance growth pressures with preserving their character. This solution outlines a comprehensive growth management plan to direct development to areas with existing infrastructure while protecting open spaces.

### How to Do It

- Identify priority development areas with adequate infrastructure.
- Implement conservation measures for key open spaces.
- Develop phased growth policies with annual targets.
- Create incentives for infill development and redevelopment.

### Who Does What

Town staff can oversee plan development and coordinate stakeholders. Town Councils can review and approve the plan. Planning Commissions can provide input on priority areas. CSPDC will offer technical assistance.

### How to Fund It

USDA Rural Development grants can assist with planning. Local funds will support implementation.

### How to Measure Success

- Percentage of development in priority areas
- Acres of open space preserved
- Infrastructure capacity utilization
- Number of infill/redevelopment projects completed



## Bath County



Bath County is well known for its rural, scenic beauty, and its natural assets attract both retirees and remote workers. Therefore, Bath County must balance the housing needs of its long-term residents and newcomers. Additionally, Bath has a strong economic anchor in the Omni Homestead Resort, which presents both long- and short-term housing needs.

Apart from Bath residents, nearly 700 workers commute into Bath County for their primary job. This trend is more prevalent among high earners, possibly due to their ability to absorb higher transportation costs. Focus group participants said a lack of housing inventory has hindered employee recruitment and retention in Bath. For example, employees new to the area who would prefer to rent before committing to the purchase of a home are unable to find viable housing options. However, 96% of Bath County's housing stock consists of single-family detached units, the vast majority of which are for homeownership. Additionally, nearly 75% of Bath County's housing units have three or more bedrooms.

Adding additional rental housing or smaller homeowner units such as duplexes or condos, even at a small scale, would significantly improve the availability of housing for employees at the Homestead, the hospital, and the school system. Additionally, building housing units with smaller footprints would benefit current residents who may be looking to downsize and prospective residents who are new to the area.

Bath County's housing market is heavily impacted by property owners who use properties for seasonal or recreational use, as well as vacation rentals. Of Bath County's 1,526 units classified as vacant (45%), 69% of those units are held for seasonal and recreational use. Meanwhile, less than 4% are vacant for-sale or for-rent. Focus group participants confirmed the scarcity of rental units and viable homeownership opportunities, and shared that new construction can be difficult due to the limited availability of contractors. Focus group participants shared that the quality of available for-own or for-rent units can be a barrier to securing housing, particularly among Bath's older housing stock.

While the seasonal market is a key piece of Bath County's economy, well-located and strategically built housing can help relieve tight rental and homeownership markets. Key areas of focus may include single-level living for seniors, affordable opportunities for low-wage workers, and first-time homebuyer opportunities for younger residents. Bath County can prioritize rezoning that supports housing development needed to accommodate these populations. Simultaneously, Bath County can leverage key housing programs, such as USDA and DHCD rehabilitation programs and HUD resources, to improve the condition of existing homeownership and rental opportunities and ensure that existing stock remains viable in the market.

**3,400**  
residents

**1,596**  
housing  
units

**69%**  
of units for  
seasonal



## PRIORITY SOLUTION 1

Begin housing education initiative with community partners and leaders



### What It Does

Resident pushback on housing development can decrease affordability and opportunity in Bath County. Misconceptions about the impacts of increased housing often lead to vocal opposition, especially regarding affordable housing. This can prevent existing residents' children and grandchildren from being able to stay in the community they grew up in. To address this, Bath County should educate residents about the importance of housing development and affordability. Housing education campaigns have been used to inform the wider community about the interconnected issues touched by housing affordability. From homelessness all the way to economic development, education campaigns can reach a broad audience that spans the political spectrum. In particular for Bath County, a campaign should amplify youth and student voices, and help educate the public to overcome common misconceptions about affordable housing.

### How to Do It

- Partner with local planning departments to include housing education in community planning discussions.
- Form a team to lead the education campaign.
- Identify key messages for different audiences (e.g., the public, officials, businesses).
- Seek funding to support outreach efforts.
- Create educational materials like fact sheets and social media posts.
- Share local housing stories to illustrate key points.
- Regularly review progress and adjust the campaign as needed.

### Who Does What

Bath County Building, Planning, and Zoning will generate information and data. The Board of Supervisors will endorse the effort and allocate funding. A housing education workgroup will provide feedback and serve as spokespersons. Philanthropic and corporate organizations can provide funding and guidance.

### How to Fund It

Funding may come from County operating funds, Virginia Housing grants, and philanthropic partners like the Omni Homestead and the Community Foundation for Rockbridge, Bath & Alleghany County.

### How to Measure Success

- Campaign reach (number of people exposed, website visitors, social media impressions)
- Audience engagement (social media interactions, event attendance)
- Behavior change (changes in knowledge, attitudes, or behaviors related to housing issues)
- Economic impact (increases in investment or funding for housing projects)
- Feedback and testimonials from impacted individuals



## PRIORITY SOLUTION 2

Continue preparing sites for development



### What It Does

Little to no new rental housing has been constructed in Bath County in years, challenging employers and employees. New construction has largely focused on luxury custom homes for second-homes and seasonal visitors. While demand for workforce housing exists, the market is not responding due to a lack of contractors and higher construction costs when compared to surrounding localities.

To address this, Bath County should expand on ongoing strategic efforts to identify and prepare priority sites for residential development. The County can take proactive steps to support the types of residential developments it wants and needs, from rezonings to infrastructure development.

### How to Do It

- Assess internal capacity to undertake predevelopment activities.
- Select a priority site for development using the Bath County Land Suitability Assessment.
- Develop a request for proposal for development partners.
- Secure funding for and expand infrastructure to priority sites.

### Who Does What

Bath County Building, Planning, and Zoning will coordinate predevelopment activities. The Economic Development Authority will assist in planning and identifying potential development partners. The Board of Supervisors will approve County involvement and actions. The Bath County Service Authority will undertake infrastructure expansion.

### How to Fund It

Funding sources include DHCD Community Development Block Grants, Virginia Housing Community Impact Grants, Virginia Resources Authority loans, and other state and federal programs.

### How to Measure Success

- Number of housing units produced
- Number of jobs produced
- Increased tax revenue

## SECONDARY SOLUTION 1

Evaluate tax incentives to spur home improvements



### What It Does

Deferred maintenance among homeowners with low and fixed incomes is contributing to community blight in Bath County. Long-term deferred maintenance can result in higher housing costs and leave households in dangerous living situations. These issues can impact entire communities by creating a perception of disinvestment and neglect.

To address this, Bath County should investigate real estate tax abatement options under state code to incentivize residential rehab and revitalization. Tax abatements reduce the taxable value of a property for a period of time, helping property owners finance improvements that benefit both the owner and the community.

### How to Do It

- Conduct a survey of older homes in need of rehabilitation or redevelopment.
- Analyze potential program design parameters within state guidelines.
- Implement a residential tax abatement program or explore alternative options.
- Consider solutions that provide up-front capital for repair costs, such as a revolving loan fund.

### Who Does What

Bath County Building, Planning, and Zoning will conduct property surveys and outreach. The Commissioner of Revenue will assess costs and benefits of program implementation. The Board of Supervisors will evaluate reports and determine which program to adopt.

### How to Fund It

Funding sources include Virginia Housing Community Impact Planning Grant, USDA Section 504 Home Repair Program, and DHCD Community Development Block Grants.

### How to Measure Success

- Number of properties rehabilitated
- Increase in rehab and building permits in prioritized areas
- Change in property values



## SECONDARY SOLUTION 2

Find innovative ways to increase housing opportunities for critical workforce



### What It Does

Many of Bath County's essential workers, such as teachers, nurses, local government, and public safety personnel, cannot find suitable housing. This can lead to declines in the quality and accessibility of core services in the community.

To address this, Bath County should pursue innovative partnerships and approaches to expand the number of homes available to workers. This includes recruiting employers and institutions as development partners and investors, as well as creating incentives for living in the community you serve.

### How to Do It

- Determine local employer challenges in attraction and retention.
- Explore public-private partnerships to develop housing with employers.
- Create employer-supported housing assistance programs (e.g., down payment assistance, rental assistance, relocation assistance).
- Help workers connect with local property owners to find available housing.

### Who Does What

Bath County Building, Planning, and Zoning will administer the program. Major public and private employers will promote the program and contribute funding. Local banks and lenders will facilitate financial products and education. Real estate agents and property owners will assist in locating qualifying homes.

### How to Fund It

Funding sources include direct allocation of County general funds, donations/grants from major employers and philanthropic foundations, and specific revenue set-asides from economic development activities.

### How to Measure Success

- Increased number of public and private sector workers living and working in the county
- Reduced average time between job offer and securing housing
- Longer average tenures for workers in critical positions



## Highland County + Town of Monterey



Similar to Bath County, Highland County and the Town of Monterey have a strong rural identity, and must balance the housing needs of long-term residents rooted in Highland's strong agricultural tradition with those of newcomers drawn to its rural lifestyle. While more than one-third of Highland households have lived in the county for more than 22 years, about 40% of households have moved to Highland since 2010. Focus group participants shared that new residents are coming to Highland for a variety of reasons, including entrepreneurship opportunities or employment, as well as on a part-time or seasonal basis.

Highland also has a large senior population: With a median age of 56.5, more than half of the county's households have at least one member 65 and older. Despite the prevalence of senior households, Highland does not currently have any senior-focused housing opportunities, with many seniors aging in place in their homes with limited access to in-home care services. Focus group participants shared that many seniors living off limited incomes in Highland County would benefit from housing programs that offer accessibility modifications, as well as housing types such as senior-friendly, affordable rental properties.

As in other rural regions, Highland's housing market is slow paced. Many properties that become available require niche buyers because of unique property types and the county's remote location. For example, some homes are paired with farms and other large tracts of land. Meanwhile, rental housing is very scarce in the county. In addition to sales for primary residences, the county has a significant market for vacation homes and investor-owned short-term rentals: 69% of the units classified as vacant in Highland County are held for seasonal, recreational, or other occasional use.

Focus group participants in Highland shared that short-term rentals have notably increased since the pandemic began, and discussed the need to balance the economic advantages of short-term rentals with Highland's long-term housing needs. An analysis of short-term rentals in Highland found that full-time and occasional-use STRs account for 2.2% of the housing stock, the highest in the Central Shenandoah region. While many short-term rental properties (e.g., farm properties) may be more appropriate as short-term rentals, Highland County should closely observe STR trends to ensure that these properties do not overly restrict the long-term housing market. Development of both housing and short-term lodging will likely be needed to accommodate demand from residents and tourists; otherwise, regulations may be required to balance the two market segments.

**2,200**  
residents

**56.5**  
median age

**2.2%**  
of units  
used as STRS



Like Bath County, Highland employers shared that limited housing is a barrier to recruiting and retaining employees. Nearly 40% of Highland’s workforce commutes in from neighboring jurisdictions like Pendleton County, West Virginia; and Augusta County. For much of the incoming workforce, Highland County’s existing housing stock may be not only limited but also ill suited. For example, although new Highland County Public Schools teachers in a single-earner household—considered low income by HUD standards—could afford the median rent in Highland, limited rental options are available and homeownership opportunities often fall outside an affordable range. This scarcity in rental units has strained Highland’s housing market, and rents have increased approximately 27% since 2018. Focus group participants shared that addressing rental scarcity in Highland could help to recruit and retain essential workforce like teachers, fire and safety personnel, and healthcare providers.

Highland County has an opportunity to provide a limited number of new housing units to accommodate key demand segments like low-to-moderate income workers and seniors. Developing small, affordable, and conveniently located units will be key in continuing to attract new workers to the area. Additionally, integrating housing supports like housing rehabilitation programs and housing choice vouchers can support existing residents in need of assistance, such as income-limited seniors and low-income workers.

## Median Gross Rent

Source: VCHR tabulation of 2015-2021 ACS 5-year Estimates



## PRIORITY SOLUTION 1

Create incentives and align zoning regulations to encourage a range of housing options and overcome development challenges



### What It Does

Infrastructure and regulatory challenges make it difficult for developers to finance and build new housing in designated growth areas. In rural areas, water and sewer infrastructure are vital for development, but investing in such infrastructure can be challenging due to limited funding. Overly restrictive lot requirements further compound these challenges by reducing developable land. While the County's comprehensive plan calls for smaller lot sizes and increased density, current zoning ordinances often require public approval, making housing production an uncertain venture.

### How to Do It

- **Review barriers:** Identify key barriers in zoning and subdivision ordinances that restrict housing development. Consult with developers for feedback, focusing on designated growth areas.
- **Expand infrastructure:** Explore funding opportunities to expand or develop essential water and wastewater infrastructure.
- **Amend zoning ordinances:** Draft reforms to remove or change counterproductive elements in the zoning ordinance, following community outreach, public hearings, and review of prior zoning analysis.
- **Leverage EDA:** Use the Economic Development Authority to issue tax-exempt bonds and facilitate tax abatements for affordable housing projects.
- **Apply for grants:** Seek funding from sources like the Virginia Housing Community Impact Grant for market research and preliminary studies.
- **Seek technical assistance:** Utilize technical assistance from rural development experts and agencies for funding applications and capacity building.

### Who Does What

The Department of Building and Zoning would analyze zoning impediments and recommend reforms. The Planning Commission and Board of Supervisors would provide guidance and adopt ordinances as appropriate. The EDA would partner with the County and Town to seek grants and create financial incentives. Town of Monterey staff and council will collaborate on infrastructure objectives, study options, and pursue new funding opportunities.

### How to Fund It

Seek funding from DHCD Community Development Block Grants, Virginia Housing Community Impact Planning and Stabilization Grants, and the Virginia Housing Predevelopment Loan Fund. Utilize Virginia Resources Authority for low-cost loan financing for infrastructure, utilities, and site acquisition.

### How to Measure Success

- Grant awarded and study completed on time
- Number of new housing units produced
- Amount of private and public funding leveraged
- Shortened time from development start to completion



### PRIORITY SOLUTION 2

Find innovative ways to increase housing opportunities for critical workforce



#### What It Does

Many of the county's essential workers, such as teachers and nurses, cannot find suitable housing, thus impacting local communities and core services. Due to the limited supply of affordable homes, all residents may experience declines in the quality and accessibility of services.

#### How to Do It

- **Determine employer challenges:** Gather data from employers on employee housing needs and create an inventory of priority occupations.
- **Develop public-private partnerships:** Collaborate with employers to identify development sites and funding models, with employers offering guaranteed occupancy.
- **Create housing assistance programs:** Work with employers to offer down payment, rental, and relocation assistance as employee benefits.
- **Connect workers with property owners:** Establish an online platform for property listings and housing-related information, ensuring quality standards and preferential agreements.

#### How to Fund It

Use County general funds, donations, grants from employers and philanthropic foundations, and revenue set-asides from economic development activities.

#### How to Measure Success

- Increased number of public and private sector workers living in the county
- Reduced time between job offer and securing housing
- Longer tenures for workers in critical positions

#### Who Does What

County staff could administer the program, set guidelines, and provide financial assistance. Major employers would promote the program, contribute funding, and provide necessary information. Local banks would facilitate down payment assistance and offer financial education. Real estate agents and property owners would promote the program and help locate qualifying homes.





## SECONDARY SOLUTION 1

Help owners reposition vacant and abandoned properties into community assets



### What It Does

Highland County has a significant number of vacant and abandoned properties due to population decline, thus contributing to blight and stifling growth. These properties become liabilities and can affect community development. The County can create new incentives to help owners make improvements, while also exploring alternative interventions for owners who are absent or uncooperative.

### How to Do It

**Property Identification and Assessment:** Begin by using real estate records and conducting a windshield survey to compile a comprehensive list of abandoned properties in the area. This inventory should include detailed owner information and any existing code violations. This thorough assessment will provide a clear picture of the scope and nature of the abandoned property issue in your community.

**Strategic Prioritization:** Once the inventory is complete, prioritize strategic areas to target your efforts. Focus on locations near growth areas or well-maintained properties, as improvements in these zones can have a ripple effect on surrounding neighborhoods. This targeted approach ensures that your resources are used efficiently and can generate the most significant impact.

**Financial Incentives and Support:** To encourage property rehabilitation, explore the creation of a revolving loan fund. This fund can provide low-interest loans to property owners for repairs and improvements. Additionally, leverage both private and public investment to establish repair programs that can assist owners in bringing their properties up to code. Consider implementing a residential rehabilitation tax abatement program, which can offer property tax incentives to owners who invest in significant improvements to their abandoned properties.

**Legal Mechanisms and Enforcement:** Assess state-authorized mechanisms designed to address blighted properties. Two key tools to consider are spot blight abatement and vacant building registration programs. Spot blight abatement allows local governments to take direct action on severely blighted properties, while vacant building registration programs require owners of empty buildings to register and maintain their properties, providing an additional layer of accountability and oversight.

### How to Fund It

Virginia Housing's Community Impact Planning Grant can be used to support planning and survey work. Actual funding for improvements can come from USDA's Section 504 Home Repair program, DHCD's Acquire, Renovate, Sell (ARS) program, and DHCD's Community Development Block Grant program.

### Measures of Success

- Comprehensive list of properties and conditions
- Number of vacant properties reoccupied
- Change in parcel and neighborhood property values
- Amount of local, state, and federal dollars leveraged



### SECONDARY SOLUTION 2

Continue exploring appropriate options for integrating short-term rentals within housing market



#### What It Does

Short-term rentals (STRs) support local tourism and the temporary labor market, but they can also place pressure on the for-sale and rental markets in certain scenarios. Intentional efforts to conduct outreach, gather accurate information, and glean best practices from other municipalities are needed. This solution outlines how Highland County and the Town of Monterey can explore long-term approaches to STRs that lead to lasting benefits.

#### How to Do It

- Increase County's capacity by requesting support from graduate student projects at VCU, UVA, or Virginia Tech's planning departments, especially to complete required background investigations, such as:
  - Assessing the number and types of STRs, reviewing past discussions and permits, and evaluating local staff capacity for any proposed policy enforcement.
  - Gathering data on the current STR inventory, operator types, and concentration areas.
- Work with legal counsel to understand state code regulations and limitations for STRs.
- Engage residents to understand perspectives and concerns, and collaborate with STR platforms for any proposed compliance mechanisms.
- Create policy goals based on community feedback and legal considerations.
- Consider policies like tax reimbursements for homeowners renting to local residents instead of using properties as STRs.

#### How to Fund It

Plan for "soft" costs, such as staff time and resources for community engagement and policy development, within department budgets.

#### How to Measure Success

- Number of residents and STR owners engaged
- Number of housing units available for permanent residents
- Completion of comprehensive STR inventory and legal analysis
- Changes in home purchase prices in areas with high STR concentration

## Rockbridge Region



The Rockbridge region, southernmost in the CSPDC footprint, is surrounded by metropolitan areas, including the Staunton MSA, Lynchburg, and Roanoke. This region serves as a crossroad of major employment and housing submarkets, with 40% of employees commuting in from neighboring housing markets. Though Lexington and Buena Vista serve as small urban hubs, the Rockbridge region is predominantly rural. As such, the decision to locate in the Rockbridge region is likely based primarily on lifestyle preference rather than employment opportunities.

Though Rockbridge County's homeownership rate (76%) is on par with the rest of the Central Shenandoah region, homeownership rates are much lower in Lexington and Buena Vista (55% and 54%, respectively). In Lexington, this can primarily be attributed to a large student population. In Buena Vista, however, homeownership rates among households aged 35-54 and 60-74 are also relatively low, suggesting limited availability of homeownership opportunities. Buena Vista can prioritize increasing moderately priced homeownership units to house these populations.

Over the past five years, the Rockbridge region has not experienced a significant change in households. As the region looks to grow, so will the need for employment opportunities and the housing needed to accommodate both existing and new workforce. Similar to elsewhere in the Central Shenandoah footprint, the Rockbridge region has housing costs that workers in occupations like teaching and healthcare find affordable, whereas those in service occupations would need housing costs of less than \$600 per month to avoid cost burden. The Rockbridge region has a relatively low cost of living; however, approximately 40% of the region's households are low income. Notably, 55% of Buena Vista's population meets the low-income threshold.

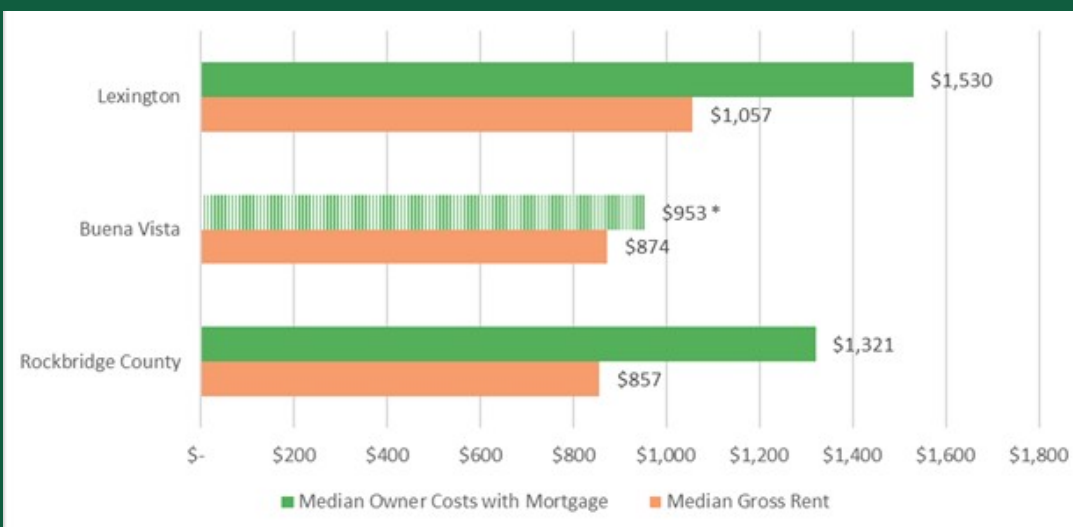
**36K**  
residents

**40%**  
are low  
income

**40%**  
are  
commuters

### Median Rent and Owner Costs by Locality

Source: U.S. Census Bureau, 2021 ACS 5-year Estimates



A number of Rockbridge employers described difficulty attracting and retaining employees to work service and support jobs, citing limited housing availability as the probable cause. They explained that wages are not enough to support commuting from Roanoke and other surrounding areas in the long term and that available units in Rockbridge cost more than employees can afford.

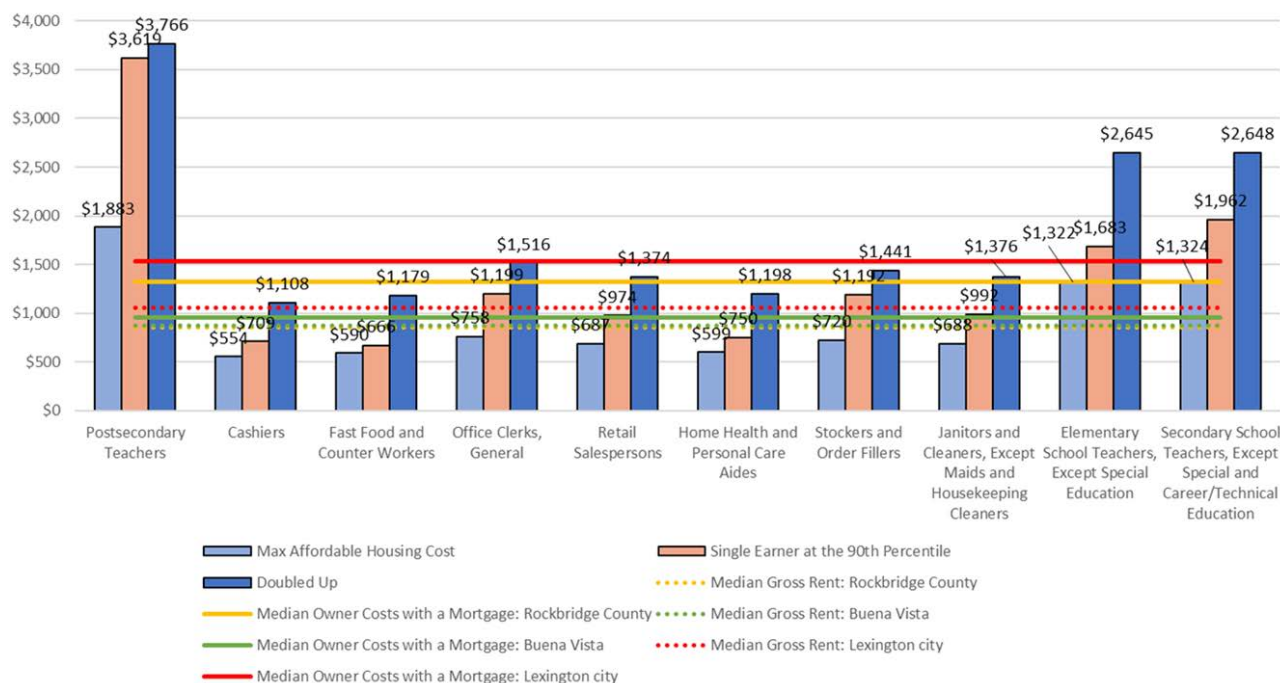
Developing new subsidized and moderately affordable housing that prioritizes local workers would allow the Rockbridge region to compete more readily for new residents and employees in service and support jobs. This strategy would be particularly useful in and around Lexington, where median rent and ownership costs are the highest in the entire Central Shenandoah footprint. Additionally, Buena Vista can readily absorb more units and, given their current housing stock, focus on both preserving their existing affordable stock and adding new homeownership and rental opportunities to serve a range of income levels.

Employers who participated in focus groups shared a saying from the restaurant business: “Dishwashers don’t drive.” They explained that dishwashers are not paid enough to afford commuting costs, relying instead on affordable housing within a short distance of their job. For low-wage jobs that pay a “living wage” (enough to allow for typical household expenses, including rent or a mortgage), many employers rely on people who have inherited their home or who live in multi-generational households who own their home free and clear.

Area service providers shared that many households in the region cannot access housing and instead live in their car or in substandard housing structures. Service providers also noted that seniors in the area struggle to find appropriate and affordable housing, a problem often exacerbated by limited access to senior housing providers. In particular, seniors have difficulty accessing the Lexington housing market and would benefit from senior-friendly affordable housing options.

## Median Gross Rent

Source: VCHR tabulation of 2015-2021 ACS 5-year Estimates







Compounding this issue, focus group participants frequently referenced the region's housing conditions. Housing and health service providers recounted a range of housing—from older homes in need of upgrades to wholly substandard units. Many of these homes are likely in need of repair and weatherization services to improve energy efficiency. High energy costs affect 2,686 homes in the Rockbridge region, 1,298 of which are inhabited by low-income households. These households would be excellent candidates for home repair and rehabilitation incentives as well as weatherization. As Rockbridge has the second-highest population of seniors in the Central Shenandoah footprint, these supports would be particularly beneficial for those aging in their homes.



## PRIORITY SOLUTION 1

Increase supply by streamlining and simplifying land development regulations following comprehensive plan update



### What It Does

Rockbridge County's current land development regulations contribute to a mismatch between housing supply and changing demographics. To make it easier for the market to adequately meet housing demand, the County can leverage the upcoming approval of its comprehensive plan to begin policy initiatives that will encourage the development of smaller, lower-cost homes.

### How to Do It

- Standardize and improve zoning code: Address inconsistencies and ambiguities in the current zoning ordinance to help developers interpret applicable rules.
- Lower barriers to more-affordable housing types: Change the zoning ordinance to allow for townhomes and small-scale apartment buildings in more areas of the county with adequate services.
- Streamline approval process: Explore "fast-track" options for certain types of residential projects.
- Make utility fees easier to pay: Provide flexible options for developers to pay water and sewer fees charged on new residential projects.

### How to Fund It

This strategy does not require significant capital investments, but the County can support its implementation by allocating sufficient funding in upcoming budgets to cover staff work and potential consulting costs. Up to \$20,000 could be secured from Virginia Housing's Community Impact Grant Innovation Program as supplemental funding for researching and designing new policies.

### How to Measure Success

- Diversity of types and prices for new homes
- Permitting costs and approval timelines
- Amount of land and number of parcels zoned for lower-cost housing

### Who Does What

The Office of Community Development would coordinate with other departments and the Rockbridge County Public Service Authority, Planning Commission, and Board of Supervisors to evaluate and recommend policy changes.



## PRIORITY SOLUTION 2

Position Economic Development Authority to support housing development



### What It Does

As housing costs in Rockbridge County outpace wage growth, many working families struggle to find affordable housing, impacting workforce stability and economic health. To address this challenge, the Rockbridge County Economic Development Authority (EDA) can explore increasing its capacity to provide financial and technical assistance to new residential projects.

### How to Do It

- Provide financial support: Offer grants, incentives, revenue bonds, and real estate tax abatements to increase the financial viability of housing projects.
- Manage land strategically: Acquire, consolidate, and lease parcels of land for mixed-use development, using methods such as land banking, land swaps, discounted sales, and long-term ground leasing.
- Offer planning and technical assistance: Serve as a resource for planning, executing, and managing projects, including applying for state planning grants and hosting knowledge-sharing events.

### Who Does What

The EDA and board of supervisors would collaborate to set goals, approve financial agreements, and allocate funding. County staff would support decision-making and policy drafting. Developer partners will seek EDA support and demonstrate specific ways for the County to provide assistance.

### How to Fund It

Increased administrative costs could be funded by additional support for personnel in the County budget. Revenue from the sale or long-term lease of properties could cover operational costs. Planning grants are available from state agencies, such as the Virginia Economic Development Partnership, the Virginia Department of Housing and Community Development, and Virginia Housing.

### How to Measure Success

- Number of housing units developed with EDA support
- Amount of financial support provided to housing projects
- Reduction in housing costs relative to wage growth



## SECONDARY SOLUTION 1

Evaluate long-term options to improve effectiveness of the Housing Choice Voucher program



### What It Does

Due to challenges with the Housing Choice Voucher (HCV) program, Rockbridge County recently transferred operations to Virginia Housing. This strategy aims to enhance rental assistance for county residents by establishing long-term collaboration with Virginia Housing and local partners, increasing landlord participation, and working with state and federal officials to pursue HCV program improvements.

### How to Do It

- Designate a task force of County staff and representatives from partner localities to explore options and make recommendations.
- Establish communication between staff, Virginia Housing, landlords, and regional partners, along with state and federal officials, to find improvements.
- Provide recommendations to the board of supervisors, so they can adjust policies or allocate new funding as needed.

### How to Fund It

Under an improved arrangement, HCV reimbursements can still come from Virginia Housing. County general funds would still be important but could be deployed to more directly support the needs of current residents.

### How to Measure Success

- Number of local households served
- Administrative cost efficiency per voucher





## PRIORITY SOLUTION 1

Pursue more flexible zoning options and streamline regulations to create diverse housing opportunities



### What It Does

Zoning constraints can impede the development of market-driven dwelling types, particularly low-density choices for smaller households. Reforming residential zoning and development regulations can provide greater flexibility for new construction projects that help meet the needs and preferences of residents.

### How to Do It

- Encourage accessory dwelling units (ADUs): Develop straightforward regulations for ADUs to become a cost-effective way to add new supply.
- Orient zoning ordinance to promote cottages and small-scale multifamily units: Update development codes to encourage diverse infill projects.
- Make development process transparent and straightforward: Engage residents and developers to create pattern books, pre-approved designs, and similar tools to help appropriate projects get completed quickly and efficiently.

### Who Does What

The Department of Community Development would evaluate zoning codes, prioritize drafting of new text amendments, and propose improvements to the development process. Consultants could assist with this effort and help the department perform outreach to the community about proposed changes. City Council would review and enact any amendments.

### How to Fund It

No large-scale investments are required for this strategy. However, appropriate levels of funding would be needed to cover staff time and potential consultant activity. Along with general fund allocations in the City's budget, Virginia Housing's Community Impact Grant makes \$20,000 available to analyze and design improvements to development codes.

### How to Measure Success

- Number of ADUs, cottages, and small-scale multifamily units created
- Permitting costs and approval timelines
- Amount of land and number of parcels zoned for lower-cost housing



## PRIORITY SOLUTION 2

Examine and expand incentives for development and improvement of residential properties



### What It Does

As the costs of construction labor and building materials increase, it becomes harder for property owners to justify their investments to build a new home, or address issues in the home they already occupy. To encourage such improvements, local governments can offer a range of financial incentives. Buena Vista can use such programs to spur private investment, improve housing quality, and increase property values.

### How to Do It

- Evaluate residential rehabilitation tax abatement: Analyze whether expanding current program guidelines would help more owners participate.
- Explore local revolving loan fund for home improvements: Provide grants to homeowners for necessary repair work, to be repaid upon sale of property.
- Leverage Economic Development Authority: Increase EDA's capacity to offer rebates, infrastructure investments, and other financial incentives.

### Who Does What

The Department of Community Development would determine what types and levels of incentives would be most effective, and design a potential home improvement loan program. The Office of the Commissioner of the Revenue would help evaluate improvements to the rehabilitation tax abatement policy. The director of economic development would work with the EDA and board of supervisors to expand the EDA's capacity.

### How to Fund It

Virginia Housing offers planning grants to fund preliminary policy studies, as well as capacity building grants that could support the EDA. To support a revolving loan program, the City could make annual general fund allocations or dedicate a specific tax or fee as its revenue source.

### How to Measure Success

- Number of existing homes improved or repaired
- Number of vacant lots or structures rehabilitated
- Increase in property values at parcel and neighborhood scales



## SECONDARY SOLUTION 1

Lay the foundation for high-quality mixed-use development



### What It Does

Coordinated revitalization of residential and commercial parcels in historic communities like Buena Vista fosters economic growth, supports cultural preservation, enhances quality of life, attracts new inhabitants, and encourages growth away from rural areas. Researching and preparing the community for mixed-use developments can ensure that any future efforts successfully align with the City's objectives and leverage all available funding.

### How to Do It

- Support Main Street Buena Vista's efforts to become a Virginia Main Street (VMS) program affiliate and access tiered levels of financing and assistance.
- Investigate specific sites that could be eligible for state and federal tax credits, particularly historic tax credits, that complement current rehabilitation loans and grants for mixed-use developments.
- Develop technical support initiatives for local companies and property owners to raise awareness of existing mixed-use programs and stimulate potential.

### How to Fund It

Virginia Housing provides a variety of loan and grant products that can be used for planning and eventual development of mixed-use sites. The Virginia Department of Housing and Community Development (DHCD), which administers the VMS program, makes dedicated funding available to affiliates for complementary initiatives.

### How to Measure Success

- Number of new mixed-use sites created
- Attraction of new residents or businesses
- Main street improvements and placemaking



## PRIORITY SOLUTION 1

Investigate range of incentives to increase supply of lower-cost housing options



### What It Does

High construction costs and regulatory hurdles make it very difficult to build new homes that would be affordable to Lexington's workforce and current residents. This strategy helps the City explore a range of options that could facilitate project development and minimize expenses for both developers and potential residents.

### How to Do It

- Develop financial incentives: Financial incentives could directly match developer contributions or provide tax breaks to make these projects easier to pencil out.
- Streamline land use regulations: Keeping development timetables as short as feasible reduces building costs, which could ultimately contribute to reduced market pricing.
- Offer consultation hours to local developers: Regular opportunities to review plans and get staff input help avoid unexpected challenges and hurdles.
- Organize training programs to attract new partners: Developing a healthy ecosystem of local builders and developers familiar with both market-rate and affordable housing will help Lexington meet its supply goals.

### Who Does What

The City's Planning and Development office would work across departments to provide technical support and streamline processes. City Council and the Planning Commission would apply lessons from past successful developments to standardize incentives and assess new mechanisms. The Industrial Development Authority (IDA) has the power to provide projects with funding and other incentives.

### How to Fund It

Virginia Housing offers planning grants to help local governments evaluate and plan new initiatives for workforce and affordable housing. The City could also provide funding in its annual budget or capital improvement plan to support financial incentives it (and/or the IDA) offers.

### How to Measure Success

- New housing units created
- Monthly rents or sales prices of new homes
- Number of independent developers and builders active in Lexington





## PRIORITY SOLUTION 2

Continue momentum to evaluate and determine potential for underused properties



### What It Does

Land is often one of the most difficult and expensive things to obtain for housing development. Finding ways to repurpose vacant and unused properties in the city into housing can help builders solve a major expense and generate additional tax revenue.

### How to Do It

- Leverage results of housing conditions assessment: Use findings from ongoing property surveys to determine priority needs and opportunities.
- Increase public understanding: Develop a publicity strategy to disseminate survey results and build support for action around infrastructure improvement and vacant properties.
- Explore specific policy interventions: Evaluate residential rehabilitation tax abatement options and determine potential for a local revolving loan fund for homeowners to make repairs.
- Support regional land bank effort: Evaluate the inventory of vacant properties to assess development potential, ownership and title, tax delinquency, and other information that helps determine eligibility for nonjudicial transfer to a land bank.

### How to Fund It

Virginia Housing offers community impact grants to support the renovation or demolition of deteriorating properties for affordable housing. DHCD also offers a variety of funding for revitalization projects, including the Acquire, Renovate, Sell Program, which could be used to facilitate redevelopment.

### How to Measure Success

- Completed surveys of vacant and delinquent properties
- Number of property owners engaged/contacted for redevelopment or sale
- Sites identified for infill opportunities

### Who Does What

The Department of Planning and Development will complete the housing assessment and use it to guide subsequent efforts. The Department of Public Works and the commissioner of revenue could assist with evaluating attributes of vacant properties.



## SECONDARY SOLUTION 1

Continue productive zoning reform measures and market new opportunities to property owners and developers



Zoning constraints can impede the development of market-driven dwelling types, particularly low-density choices for smaller households. Reforming residential zoning and development regulations can provide greater flexibility for new construction projects. Existing residents could also have opportunities to create expansions for rental revenue streams or changing family needs by adding ADUs.

### How to Do It

- Craft new ADU regulations for detached and attached units.
- Pursue a pattern book to illustrate pre-approved designs for expedited permitting.
- Examine the zoning code and evaluate which limitations might be lifted or amended through discussions with developers and builders.
- Create visual guides to promote proposed zoning changes and show their impact on housing goals.
- Work with local banks and lenders to develop construction loan products that can be utilized for gentle density.

### How to Fund It

Virginia Housing offers up to \$20,000 for policy studies. This can include a Development Code Analysis, which identifies a locality's barriers to housing development by examining its codes, ordinances, and regulations, and then recommends fixes. New zoning-related grants are also available from HUD, and the City can set aside portions of its budget toward zoning analysis.

### How to Measure Success

- Increased knowledge among planners and elected officials about zoning best practices
- Adoption of "pro-housing" land use and zoning policies
- Number and type of new residential units created
- Share of projects/units approved by-right or by rezoning or special exemption



## SECONDARY SOLUTION 2

Explore working with Virginia Resources Authority to take advantage of its new power to fund local affordable housing efforts



### What It Does

To cover entire development expenses, affordable housing projects are often financed through a combination of several sources. These expenses might vary based on the intended degree of affordability and the subsidies required. In the face of a housing crisis, regular state and federal grants are competitive and sometimes restricted in quantity. Finding new revenue streams can help the City get more money for affordable housing initiatives.

### How to Do It

- Work with the Virginia Resources Authority (VRA) to determine ways they can issue bonds for affordable housing development to the City.
- Determine housing priorities and requirements for future allocations of funds.
- Identify infrastructure needs that could be paid through VRA programs to pre-develop sites for housing.

### How to Fund It

VRA offers low-cost loan financing for local governments via the public debt market. Specific programs exist that could support infrastructure, utilities, site acquisition, and similar activities. General obligation bonds could be issued for the rehab and repair of low-income housing.

### How to Measure Success

- Total investments secured via bond issuance, special assessments, or other revenue streams
- Sites pre-developed for future housing projects
- MOUs with municipal housing authorities or nonprofit developers to specify agreements in providing affordable homes through future bonds



## PRIORITY SOLUTION 1

Complete comprehensive vacancy survey to determine needs



### What It Does

Vacant and abandoned properties in the town are missed opportunities that can contribute to blight and hinder community growth. This solution aims to identify these properties and explore ways to convert them into productive uses like housing, enhancing both community assets and local government revenue.

### How to Do It

- Conduct a comprehensive inventory of vacant and abandoned properties, including owner information and property conditions.
- Assess intervention options and determine which properties meet criteria for potential town intervention, such as condemnation or tax sale.
- Work with the county attorney to understand the town's authority to address vacant properties under various state codes.
- Use the inventory data to develop strategies for property repair, rehabilitation, or redevelopment.
- Look into partnerships between the public and private sectors for property improvement initiatives.

### How to Fund It

The town can seek federal grants like CDBG and HOME funding through the Department of Housing and Community Development, and explore private foundation grants for community development projects.

### How to Measure Success

- Number of vacant properties identified and assessed
- Increase in properties brought back into productive use
- Reduction in blighted areas within the town
- Amount of funding secured for property redevelopment initiatives

### Who Does What

The county attorney will provide legal guidance, while town staff will coordinate property identification, assess inventory conditions, and determine redevelopment goals.





## PRIORITY SOLUTION 2

Leverage state programs to improve housing stock and advance civic pride

### What It Does

Glasgow's aging buildings and homes need updating to serve changing resident needs and showcase the town's appeal. This solution aims to use state and federal resources to improve housing stock, revitalize downtown areas, and prepare for climate change challenges, enhancing both community assets and civic pride.

### How to Do It

- Apply for programs like the Industrial Revitalization Fund and Virginia Main Street to repurpose vacant buildings and revitalize downtown areas.
- Utilize programs like the Community Flood Preparedness Fund and Weather Assistance Program to improve infrastructure and home resilience.
- Explore tax exemption programs and leverage state resources to help homeowners maintain and upgrade their properties.
- Pursue opportunities for combining residential and commercial spaces in downtown areas.
- Engage with local businesses, county officials, and nonprofit organizations to coordinate revitalization efforts.

### Who Does What

Town staff will lead application efforts and community engagement, while Rockbridge County and CSPDC will assist with funding applications. Local businesses and nonprofits like SERCAP will provide input and technical assistance.

### How to Fund It

Funding can come from various state and federal sources, including DHCD programs, Virginia Housing initiatives, and SERCAP community development funds.

### How to Measure Success

- Number of renovated or repurposed buildings
- Increase in downtown occupancy rates (both residential and commercial)
- Amount of funding secured for revitalization and climate resilience projects
- Improvement in overall housing conditions and energy efficiency





## SECONDARY SOLUTION 1

Evaluate a potential rental inspection program



### What It Does

The condition of rental units in Glasgow, especially naturally occurring affordable housing (NOAH), is often unknown until tenants complain. This solution aims to explore ways to actively inspect and improve rental conditions in the town, promoting minimum quality standards and protecting renters' health and safety.

### How to Do It

- Coordinate with local agencies to efficiently inspect and gather information on rental unit conditions.
- Develop cooperative partnerships with property owners to educate and provide resources for preventing future issues.
- Work with housing advocates, health experts, and social workers to boost capacity and bridge gaps with tenants and property owners.
- Identify key factors that warrant a rental inspection district, as outlined in Virginia state statute.
- Determine the frequency and timing of inspections, such as periodic checks or inspections during tenant turnover.

### How to Fund It

Funding can come from existing town resources, with potential support from state or federal grants for community development and housing quality improvement.

### How to Measure Success

- Number of rental units inspected
- Improvement in overall rental housing conditions
- Reduction in tenant complaints about housing quality
- Increased compliance with housing codes by property owners

## SECONDARY SOLUTION 2

Explore long-term residential development incentives



### What It Does

Housing developers in Glasgow are not building lower-cost housing due to various financial challenges. This solution aims to create a suite of development incentives to encourage the construction of affordable housing options, making it more financially viable for developers to build homes for low- and moderate-income families.

### How to Do It

- Allow developers to build more units than typically permitted if they include affordable housing.
- Create a fast-track approval process for affordable housing projects to reduce delays and costs.
- Adjust zoning laws to allow for more diverse housing types, such as ADUs.
- Explore options like fee waivers, tax relief, or direct subsidies for affordable housing developments.
- Offer training on local zoning regulations, Virginia's Low-Income Housing Tax Credits, and affordable housing management.

### How to Fund It

Many of these incentives, like zoning changes and streamlined permitting, can be implemented at little to no cost. Financial incentives may require allocating town or county funds, or seeking state and federal grants for affordable housing initiatives.

### How to Measure Success

- Number of new affordable housing units built
- Increase in diversity of housing types available
- Reduction in housing cost burden for low- and moderate-income residents
- Number of developers participating in affordable housing projects





## V. Conclusion

The Central Shenandoah Regional Housing Study highlights the critical need for a coordinated, collaborative approach to address housing challenges in the region. By outlining local and regional approaches to address housing needs, this study lays a foundation for the CSPDC and its member localities to encourage safe, affordable, and accessible housing options necessary for our communities to thrive. The strategies outlined in the report emphasize both local and regional approaches to housing development. By aligning efforts across local governments, developers, employers, and residents, the region can proactively address the growing demand for housing and support future economic growth. Continued collaboration and regular assessment of housing data will ensure that these solutions remain relevant and effective.

In the coming months and years, the CSPDC will strive to facilitate the implementation of strategies recommended in the study by effecting the regional housing solutions, collaborating with local partners, and helping local governments secure funding. Through this collective effort, the region can meet its housing needs, support workforce development, and strengthen the community's overall wellbeing, ensuring that the Central Shenandoah region is well-prepared for both current and future growth.

