



Albemarle County

Legislation Text

File #: 19-229, **Version:** 1

AGENDA DATE: 4/3/2019

TITLE:

Update on Regional Housing Needs Assessment and Next Steps

SUBJECT/PROPOSAL/REQUEST: Presentation Regarding the Regional Housing Needs Assessment

ITEM TYPE: Regular Information Item

STAFF CONTACT(S): Richardson, Walker, Graham, Pethia

PRESENTER (S): Stacey Pethia and Chip Boyles

LEGAL REVIEW: Not Required

REVIEWED BY: Jeffrey B. Richardson

BACKGROUND: In December 2018, Albemarle County entered into a Memorandum of Understanding with the Thomas Jefferson Planning District Commission for the completion of a regional housing needs assessment. The scope of work for this assessment includes a review of housing market conditions, the need for market-rate and affordable housing, and the issues and barriers that are inhibiting the market's ability to provide affordable housing options.

The results of the analyses are presented at a regional level, as well as for Albemarle County. The report also identifies distinctions between housing needs in the County's Development Areas and those in our more rural communities. The report is in the final editing phase with an anticipated release in early April. However, as these edits are not related to the research findings, staff believe this is an appropriate time to begin discussing the data and our proposed work plan to address housing needs in our communities.

STRATEGIC PLAN: Quality Government Operations: Ensure County government's capacity to provide high quality service that achieves community priorities

DISCUSSION: A review of the data indicates increases in housing costs are impacting both homeowners and renters. Approximately 20 percent of all homeowners and 34 percent of renter households are estimated to be paying more than the officially recognized affordable housing expenditure of 30 percent of monthly income. While the County's lowest-income residents are particularly burdened by high housing costs, higher income households are feeling financially pinched, particularly households whose incomes fall between 60 percent and 80 percent of the local area median income of \$89,600 per year.

The report identifies a number of factors leading to the housing supply-demand mismatch including constraints in the region's housing stock and a prevalence of low-wage, part-time jobs in the service and tourism sectors. As the total number of households paying more than the recommended 30 percent of income towards housing in Albemarle County and the City of Charlottesville is expected to increase from 10,700 (2,589 homeowners and 9,820 renters) to 14,850 (2,930 homeowners and 11,920 renters) by the year 2040, staff believe it is important to begin work on updating our housing policy. To begin that updating process, staff is seeking

guidance from the Board of Supervisors on setting housing priorities, recommendations for which are outlined in the 'Next Steps' section of Attachment A.

Additionally, staff is asking for guidance on the Board of Supervisors' preferred process for completing the update itself. Attachment A presents two paths that process can take. The first is through a Board appointed housing committee. Staff believes this approach will require much more time and a housing committee may be more appropriate for the implementation of the updated policy.

Alternatively, the policy update could be completed via a staff-led process similar to the process used for development of recent small area plans. Staff believes this approach will more quickly lead to implementation of an updated policy. Both processes have positive and negative characteristics associated with the breadth of community representation, costs associated with the work, and time to completion. Again, the pros and cons of each method are outlined in Attachment A.

BUDGET IMPACT: There is no direct budgetary impact specifically related to this information.

RECOMMENDATION:

Staff recommends the Board receive the information provided in the presentation and Attachment A, then direct staff to:

1. Provide a Resolution of Intent (ROI) to the Planning Commission for initiating an update of the County's Affordable Housing Policy, using this assessment as guidance for this update; and
2. Include with this proposed ROI, an outline of a staff led process that assures community engagement is adequately addressed.

ATTACHMENTS: Attachment A: Summary of the Regional Housing Needs Assessment