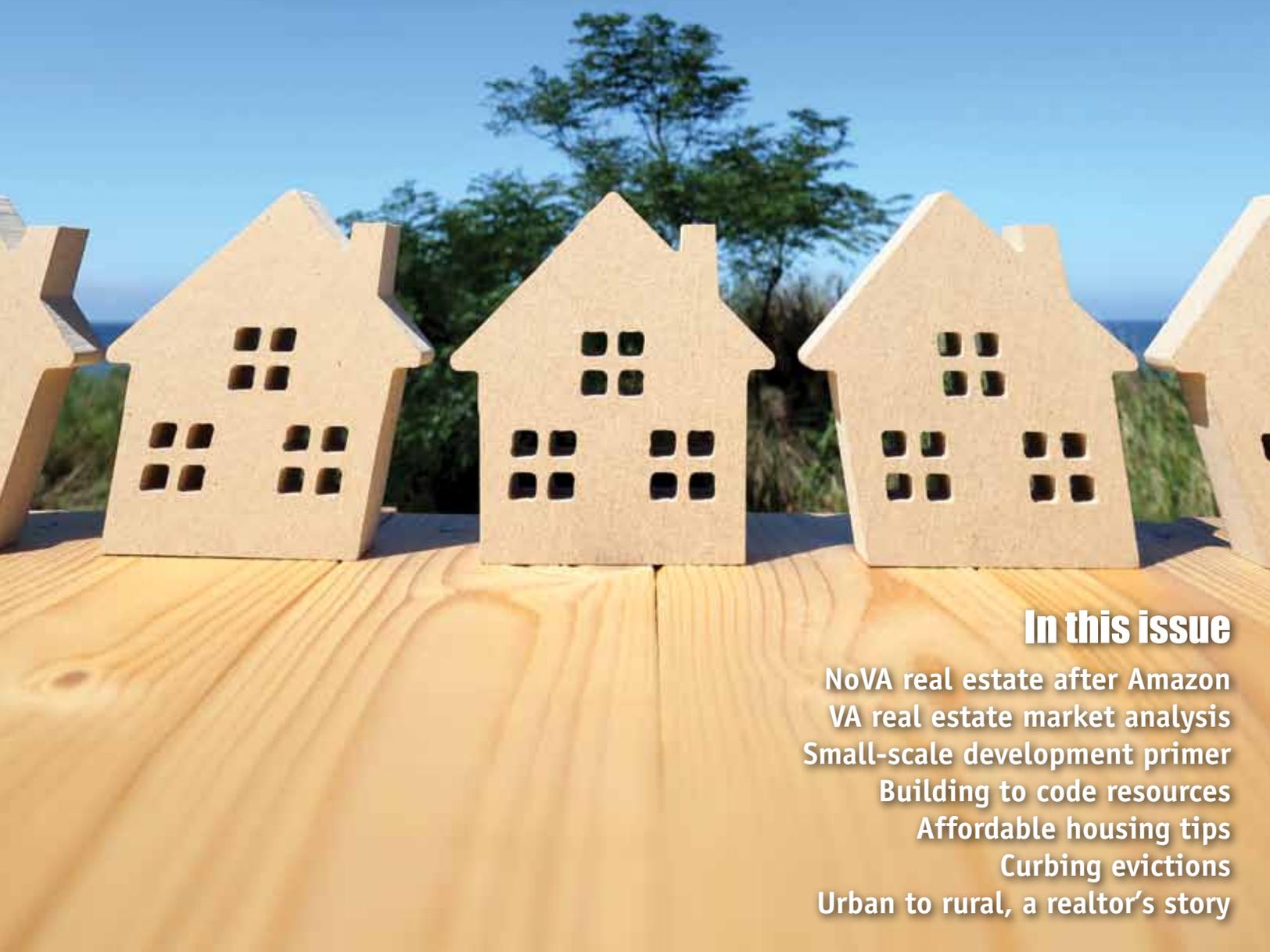


Get on board with Housing & Real Estate

A wide-ranging look at the economics, issues and opportunities in Virginia



In this issue

- NoVA real estate after Amazon
- VA real estate market analysis
- Small-scale development primer
- Building to code resources
- Affordable housing tips
- Curbing evictions
- Urban to rural, a realtor's story



Are your playgrounds safe?

Entanglements and falls are the leading causes of injuries on playgrounds

It is estimated that emergency departments see more than 20,000 children ages 14 and younger for playground-related injuries each year.*

With spring around the corner - it's time to ensure your playgrounds have been recently inspected. VML Insurance Programs (VMLIP) Safety Consultant Edward Shelton recently earned his **Certified Playground Safety Inspector (CPSI)** designation from the National Recreation and Park Association.

Members of VMLIP can reach out to Shelton for further information on the best way to ensure safety on their playgrounds. Members can also access more than a dozen online courses, modules, videos, white papers and more to train employees on maintaining safe playground equipment.

For more information on the value-added resources and services offered by VMLIP, contact Member Services at: 800-963-6800.

* Centers for Disease Control and Prevention



www.vmlins.org | 800-963-6800





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About the cover

Spring is (almost) in the air and with it the annual heating up of the real estate market. So, it's a good time to consider housing and real estate related issues and opportunities across the Commonwealth. From small-scale development in Southwest VA to big tech development in NoVA, this issue is all about the roofs over our heads, the foundations under our feet and the thing every person and business needs: a place to call "home."

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Make those old buildings come alive by encouraging small-scale and in-fill developments.

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Prepare for the future together

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By David Cristeal and Helen McIlvaine

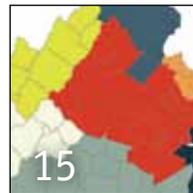
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Find out what actions are being taken to address Virginia's higher-than-average eviction rates.

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EXECUTIVE DIRECTOR

Michelle Gowdy

EDITOR AND ADVERTISING MANAGER

Rob Bullington

CONTRIBUTING EDITOR AND GRAPHIC DESIGN

Manuel Timbreza

CIRCULATION MANAGER

Joni Terry

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Visit at www.vml.org

General Assembly in the rear-view mirror

All eyes ahead!

IT'S MARCH! THE MOST INTENSE part of the 2019 session of the General Assembly is history and it was a rollercoaster of a ride. The entire VML staff was ready for a breather after 45-days of subcommittee and committee meetings, floor sessions, newsletters and research projects. Now, we can look forward to the reconvened session on April 3.

Thank you for taking the time to read our *eNews*, make phone calls and send emails to your delegates and senators. We just can't say it often enough: Your voice is incredibly important and the VML lobbyists rely on you to ensure that your delegation appreciates the degree to which your localities would be affected by a piece of proposed legislation.

It is always the case that the legislature commissions several studies for the interim and this year is no exception. In fact, the study load seems more intense than in some years. So, be on the lookout for information on issues including mental health, improvements to Interstate 81, the appeals process for real estate assessments, taxation of cigarettes, gambling and gaming, long-term viability of motor fuel taxation, continuation of the body camera study, and more! It will be a busy summer and fall, to say the least.

On the home front, VML will be holding a series of regional meetings that will include a wrap-up of the legislative session

and an overview of the statutory changes that will be of importance to local governments. But, that's not all. We also will be announcing the winners of the "If I Were a Mayor" contest and we

will be proceeding full steam ahead on developing our 2020 legislative program. This process will begin with the solicitation of members for our 6 policy committees. Please be on the look-out for our annual memorandum about participation in our policy committees. The six committees are Community and Economic Development, Environmental Quality, Finance, General Laws, Human Development and Education, and Transportation. In addition, VML President Anita

James Price will be appointing the 24 members of the Legislative Committee. You can find out more about the committee process and the issues under the purview of each committee on VML's website at www.vml.org/advocacy/policy-committees/.

And moving on to the fall, I hope you already have the dates for VML's 2019 Annual Conference on your calendar! The Mayors Institute will be held October 5-6 and the Annual Conference will take place October 6-8, all at the Hotel Roanoke. Our conferences in Roanoke are always, well, stellar and we know that this year will be no different.

Thank you again for all that you do to advance the causes of local governments! 



SAVE THE DATE



October 6-8, Hotel Roanoke & Conference Center



VML connects you with a variety of networking and professional development events. Learn about these opportunities at vml.org/events.

- March 21 – Municipal Electric Power Association of Virginia (MEPAV) – Board Meeting**
1200 5th St. SW, Charlottesville, VA 22902
- March 26 – 2019 VML FOIA Training**
Onancock Town Hall, 15 North Street, Onancock, VA 23417
- March 31 – Virginia Building and Code Officials Association (VBCOA) Mid-Year Meeting**
April 1
Hotel Roanoke & Conference Center, 110 Shenandoah Ave. NW, Roanoke, VA 24016
- May 22 – 24 Municipal Electric Power Association of Virginia (MEPAV) – Annual Meeting**
Hilton Garden Inn, 3315 Atlantic Ave., Virginia Beach, VA 23451
- Sept. 21 – 24 Virginia Building and Code Officials Association (VBCOA) – Annual Conference and School**
Hilton Oceanfront, 3001 Atlantic Ave., Virginia Beach, VA 23451
- Oct. 5 - 8 Virginia Mayors Institute & Virginia Municipal League Annual Conference**
Hotel Roanoke & Conference Center, 110 Shenandoah Ave. NW, Roanoke, VA 24016

People

Rogers tapped as Dumfries manager



Keith C. Rogers Jr. has been appointed as the manager in the Town of Dumfries. Rogers has more than nine years of experience in the City of Richmond, including serving as the senior policy advisor and the senior assistant to the chief administrative officer.

Rogers holds a master's degree in public administration and a bachelor's degree in political science from Virginia Commonwealth University. He is a past adjunct professor in the L. Douglas Wilder School of Government and Public Affairs Political Science program at VCU.

- Rogers -

Brooks named director of Chesapeake authority



Justin D. Brooks was appointed as the executive director of the Chesapeake Redevelopment and Housing Authority, effective January 2019. Brooks' previous experience includes serving as the vice president of real estate development and capital improvement for the housing authority in Birmingham, AL. He also has held positions with the City of Suffolk and the U.S. Department of Housing and Community Development.

Brooks, a native of Virginia, received an undergraduate degree in government from the University of Virginia's College at Wise and a master's degree in public administration and policy from Virginia Tech.

- Brooks -

New fire chief in Newport News comes on board



Jeffrey S. "Jeff" Johnson began work as the fire chief in the City of Newport News on Feb. 25. Johnson was the fire chief in Salinas, CA prior to his move to Virginia. He has more than 30 years of experience in EMS and fire service, beginning in 1988 as a firefighter and paramedic in Grandview, MO.

Johnson holds a bachelor's degree in fire management from Columbia Southern University and a master's degree in public administration from American Public University.

- Johnson -

Lynchburg clerk of council announces retirement



Valeria Chambers, the City of Lynchburg's clerk of council, announced in January that she is retiring from her position effective July 1, 2019. Chambers is retiring after 32 years of service with the City, eight years of those as clerk of council.

Thomas appointed as clerk of council in Charlottesville

Kyna Thomas has been appointed the clerk of council in the City of Charlottesville effective this past January. Thomas previously served as the deputy clerk to council in the City of Lynchburg. She also had worked

- Chambers -



- Thomas -

as the interim parking manager and in the Lynchburg Department of Human Services during her eleven years with the City. Thomas is the second vice-president of the Virginia Municipal Clerks Association.

Thomas has a degree in business administration from then-Lynchburg College and a master's degree in business administration from the University of Lynchburg.

Director of General Services, Deputy Fire Chief named in Roanoke

Jeffrey Powell has been named the director of the General Services Department for the City of Roanoke. Powell has over 30 years of



- Powell -

private and public sector operations management experience, from first level manager to assistant city manager. He has worked for the cities of Richmond, Roanoke, Chesapeake, Fayetteville NC, and the District of Columbia. He previously served as director of general services and as the solid waste division manager for Roanoke.



- Stone -

Marci Stone has been promoted to the rank of deputy chief for the Roanoke Fire-EMS. She has been in the fire and emergency services field for more than 25 years, starting as a firefighter/paramedic

with Roanoke Fire-EMS in 1997. Stone left the city briefly to serve as deputy fire chief for Bedford County Fire & Rescue from 2010 until 2014. In 2014, she returned to the city as the emergency management coordinator. She currently serves on the Governor's Secure and Resilient Commonwealth Panel.

Flynn tapped as deputy county executive

Rachel O'Dwyer Flynn has been named a deputy county executive in Fairfax County, effective Feb. 4. Flynn holds a bachelor's degree in architecture and a master's degree in engineering management from Catholic University and a master's degree in public administration from Harvard University. She is a licensed architect.



- Flynn -

Clarke County administrator announces retirement

David Ash, the long-time administrator in Clarke County, has announced his retirement effective January 2020. Ash has served as county administrator since 1991. Before that, he was a county administrator in Jefferson County, WV and had worked in Marion County, WV.

Interim managers appointed



Clay Goodman has been appointed interim city manager in the City of Covington. Goodman, who has retired, has served as the county administrator in Roanoke, Montgomery and Craig Counties, the city manager in Buena Vista and the town manager in Vinton.

The Town of Dayton has contracted with The Berkley Group to provide interim town superintendent services during a transition period between managers. Berkley Executive Manager Joseph S. Paxton will be serving in this capacity. Paxton retired as Rockingham County Administrator in 2016 after serving in that role for 12 years.

Simpson appointed as Halifax County administrator



- Simpson -

Scott Simpson began work as the county administrator in Halifax County Feb 1. Prior to the move to Halifax County, Simpson had worked for Smyth County for 15 years, first as the county engineer and then as the assistant county administrator and county engineer.



- Lynn -

Surry County appoints new administrator

The Surry County Board of Supervisors has hired **Jonathan H. Lynn** as its next county administrator effective March 1. Lynn has 14 years of experience in public management at the state, regional and local levels. He is a former town manager of Tyrone, GA. Lynn has an undergraduate and graduate degree from Georgia Southern University.

VML/VACo Finance has completed over \$1 billion in financing for Virginia local governments.

Whether you're considering a bank loan, equipment leasing, municipal bonds, state bond pools, or commercial paper, we'll help you select and execute the best option for your locality.



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ACROSS OUR GREAT VA

A three-way blind interview series conducted via email that seeks to remind our readers that wherever you go in the Commonwealth, you find connections that make us all Virginians.



Chris Snead worked for the City of Hampton for 34 years, including 15 years as the city's budget director before retiring and becoming a councilwoman in 2012. She also currently serves on the VML Legislative Committee. Her daughter and grandson live in Hampton.



J. G. "Bucky" Miller is currently serving his second term as mayor of Mount Jackson, VA and is also a manager at a 4th generation area car dealership. He and his wife Kim have a 7 year old daughter and a faithful 12 year old pug.

VTC: What's something you get asked a lot?

Chris: How do you like being on Council?

Bucky: Why do you still work at the car dealership? Don't you make a million dollars a year being mayor?

VTC: Bucky, how do you like being mayor?

Bucky: I enjoy it. This has been a dream come true to be the Mayor of my hometown and help it grow.

VTC: Chris, what else do you do (or have you done) while serving on council to make ends meet?

Chris: It's true that the salary does not keep pace with the work, but the work is quite rewarding. I am very blessed to be retired with sufficient income to support myself.

VTC: What's the most unusual question you've received as an elected official?

Chris: Most unusual request came from a citizen who wanted to raise taxes significantly to beautify the city

Bucky: One evening my family and I were finishing up dinner when a citizen called to report a dead deer lying in the middle of the road coming into town. She was afraid that it would cause an accident. I ventured out to where she said the deer was and she was right, but it was about a half a mile out of town limits. Still, I engaged my hazard lights and dragged the dead animal to the side of the road. When I told one of our officers about it, he asked why neither the lady nor I called the police. I told him I figured they (the PD) had more on their plate than removing a dead deer.

VTC: Bucky, during your time as mayor what's been your favorite town beautification project?

Bucky: We have spent the past 4 and a half years beautifying Mount Jackson Park by adding new equipment and updating our pool house, baseball field and grounds.

VTC: Chris, as an elected official do you feel a greater sense of responsibility when you see something amiss? For example, are you more likely to report a dead deer blocking a lane of traffic?

Chris: Yes, I have on occasion called about something – such as an outed traffic light or a dead animal in the street – that I probably would not have called about as a general citizen.

VTC: What's your favorite question to be asked by a resident?

Chris: What is my vision for the city?

Bucky: How's your family? I love my town and my family, but it is hard to juggle the two sometimes. For someone to appreciate what I do by asking about my family is special.

VTC: Bucky, what is your vision for Mount Jackson?

Bucky: For the citizens to be proud to call Mount Jackson home by having the resources that they need (jobs, restaurants, shopping and attractions) within the footprint of the town.

VTC: Chris, any advice for other elected officials trying to balance time between their duties and their family?

Chris: As a councilwoman, my first duty is to ensure that I attend all meetings relative to the business of the city, followed by attending meetings on any boards and commissions I represent. However, social and civic meetings and events must be balanced with family responsibilities. When my time as a council member is over, family will be all I have left, so I try to balance my family time and my council time accordingly.

VTC: If you had to perform your duties in a different Virginia locality, what's something you'd want to know ahead of time?

Chris: What are the hot button issues in the community?

Bucky: What are the most important items before the town?

VTC: Bucky, what's the hottest hot button issue in Mount Jackson these days?

Bucky: Growth! We are a smaller town so whenever talk of growth comes around it tends to frighten some folks. It is tough to grow but keep your small-town charm, but if anyone can do it Mount Jackson can!

VTC: Chris, what do you consider the Hampton council's most pressing issue?

Chris: The retention and recruitment of our public safety employees. This has become a very competitive field considering all the dangers facing our first responders. We must make sure that we are positioned to recruit qualified first responders and retain our current staff as well.

Loudoun, Chamber take Go Green initiative to the next level

LOUDOUN COUNTY and the Loudoun Chamber of Commerce have joined forces to recognize the environmentally-sustainable accomplishments of participating businesses through the creation of the Virginia Green Initiative. The county and the chamber first entered into a partnership in 2009 to encourage businesses to strive for long-term environmental sustainability but now have updated and expanded their efforts to encompass a statewide program that recognizes businesses' sustainability efforts. Any commercial or home-based business in Virginia is

welcome to complete a scorecard and be recognized.

Local governments are encouraged to invite their businesses to be part of this statewide initiative. Winners will be recognized at a green celebration in October. Awards will be given at the platinum, gold, silver and certificate levels.

For more information visit www.vgi.green/green-business-challenge. Or, contact M. Najib Salehi, CEM, CEP; Energy Manager, Loudoun County; 801 Sycolin Road, S.E., Suite 300; Leesburg, VA 20177-7100; Email: najib.salehi@Loudoun.gov.



Blacksburg holds program focused on plastic bags

RESIDENTS OF BLACKSBURG had the opportunity over the last couple of months to learn about plastic bag contamination during a recent campaign offered by the town in partnership with Recycle Coach. The campaign, entitled “The Coachlings and the Big Problem with Plastic Bags,” included a survey to test residents’ baseline knowledge, educational content, infographics, a blog and an exit survey to measure knowledge gain. The campaign’s message was to get residents to stop bagging their recyclables.

Recycle Coach helps communities work together to waste less and recycle more.



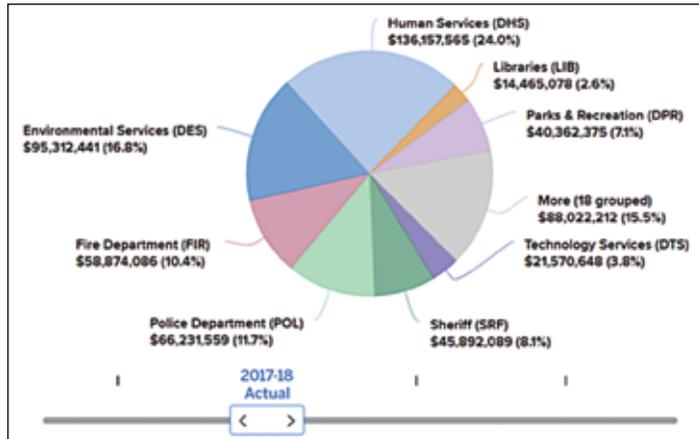
Middleburg cigarette butt recycling program featured

A RECENT ARTICLE in *LoudounNow* (<https://bit.ly/2UYeaCA>) highlights the Town of Middleburg’s efforts to encourage people to put cigarette butts in special containers attached to trashcans instead of tossing the butts down. The butts are collected by the town’s maintenance department and shipped for recycling to a waste management company. Volunteers for the town’s twice-yearly cleanup were the impetus for the program after they reported finding hundreds of butts on roads, sidewalks, parking lots and storm drains. As a result of research by one of the volunteers, the town entered into a partnership with the waste management company and installed receptacles on the sides of trashcans on several streets in the town for people to use.

TerraCycle, a waste management company, separates the components of the butts, with the filters being melted into a hard plastic that can be used for shipping pallets, park benches, and ironically enough, ashtrays!



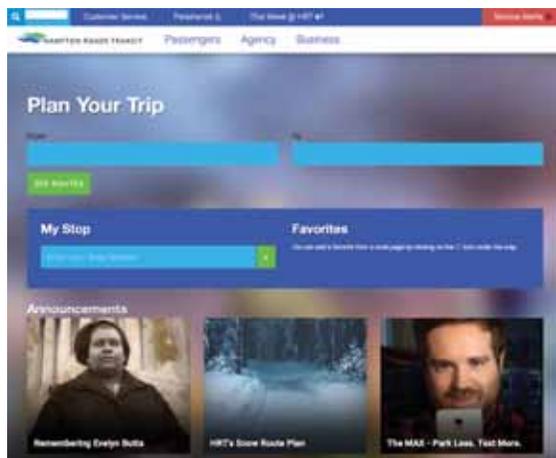
Arlington launches new transparency tool



ARLINGTON COUNTY has launched the first phase of Arlington Wallet, a new online tool that makes it easier to understand county revenues and expenditures. Detailed county financial information is available in an online interface that can be accessed anytime. Arlington Wallet uses charts and graphs to present data and allows users to examine data by department, expense type, fiscal year, and other criteria.

According to the County’s website, Arlington Wallet has data on budgeted and actual spending and revenue back to the 2014 fiscal year. This year, the county plans to expand Arlington Wallet to include data on individual County transactions that will show what the County is buying as well as from whom it is buying.

View the wallet at <https://budget.arlingtonva.us/wallet>.



HRT unveils new website

HAMPTON ROADS TRANSIT (HRT) has rolled out a new website that allows customers to more easily find information on schedules, bus stop locations and alerts. The site also allows a customer to keep the agency calendar synced to their phone so that public meetings are automatically loaded into the customers’ calendar, if the customer chooses that feature.

Customers can type in a bus number and information on which routes serve that stop will pop up as well as the location of the nearest place to buy tickets. The site is mobile-friendly and was built with the small screens on mobile phones in mind.

More information is available at www.gohrt.com.

Virginia Beach expands LENA Start Classes program

A PROGRAM SUPPORTING interactive talk with children from ages 0 – 3 years is set to offer an expanded schedule of classes this spring in Virginia Beach. The LENA Start classes are offered through Virginia Beach GrowSmart, which promotes and improves the development, school readiness, and reading proficiency of young children – all with the goal of improved reading proficiency by the third grade.

In 2017, the Lena Research Foundation selected the City of Virginia Beach as one of 11 communities to join LENA Start, a program that helps parents and caregivers of infants and toddlers (0-30 months) close the talk gap. Research shows that talking with babies is one of the most critical elements in their early brain development. Interactive talk with very young children is a key factor in early brain development.

The LENA Start classes teach parents strategies on how to improve their interactive talk skills. Parents also receive materials that can be used at home and books that can build a home library.

Virginia Beach GrowSmart will offer three class locations that began in February and will run through May. The classes consist of 13 weekly one-hour sessions and have the goal of increasing communication between parents and young children. Additional information on Virginia Beach GrowSmart is available at <https://bit.ly/2BmQ79i>.



Richmond childhood obesity program receives award, grant

THE U.S. CONFERENCE of Mayors in January awarded the City of Richmond a first-place award and grant in the association's Childhood Obesity Prevention program. According to a city news release, Richmond Mayor Levar Stoney, in partnership with the non-profit Greater Richmond Fit4Kids, received the award at the USCM annual conference held at the end of January. The awards and grants went to cities whose mayors initiated exceptional programs to encourage healthy weight through balanced diet choices and regular physical activity.

The \$120,000 grant awarded to Greater Richmond Fit4Kids will be used to support "Eat Smart, Move More RVA,"



an initiative to raise the profile of physical activity and healthy eating for students in Richmond. Planned activities include the distribution of fruit and vegetable samples to children in school; engaging students in Learning Gardens where children grow fresh vegetables; Kids Run RVA clubs, led by Sports Backers; providing recess kits to promote physical activity and more.

Greater Richmond Fit4Kids is a regional non-profit that improves children's health and wellness through physical activity and healthy eating. Fit4Kids began school-based programming in 2012 at five elementary schools and has since expanded to serve 43 local schools and 10,000 students annually.

James City County opens new bike trail

JAMES CITY COUNTY recently opened a two-mile section of mountain bike trails at the Upper County Park, according to a recent news release. The county partnered with the Eastern Virginia Mountain Bike Association to design and construct the new trail. A 20-mile mountain biking trail is already available at the county's Freedom Park.



ICC institutes fellowship program in honor of Emory R. Rodgers

THE INTERNATIONAL CODE COUNCIL (ICC) has created the Emory R. Rodgers Leadership in Building Safety Fellowship in honor of the efforts Rodgers made in educating and preparing building safety professionals. The fellowship will be given annually to an ICC member who wants to advance his or her leadership skills by attending a nationally recognized executive development program.

Rodgers was the retired deputy director of the Division of Building and Fire Regulation in the Virginia Department of Housing and Community Development. He died on March 8 of last year. Rodgers was a former president of the Virginia Building and Code Officials Association (VBCOA) and the national Building Officials and Code Administrators (BOCA).

Rodgers was an influential advocate in the code development industry for 40 years. He began working in Arlington County in 1970 where he held several positions, including serving as the building official from 1978 until his retirement in 2000. He then went to work for the Department of Housing and Community Development as the chief building official for the state.

Additional information on the fellowship program is available at <https://bit.ly/2I5uIan>.



Emory R. Rodgers

Get on board with housing & real estate

A wide-ranging look at the economics, issues and opportunities in Virginia

A LONG TIME AGO, an idealistic young Englishman wrote a song that begins: “Our house is a very, very, very fine house...”

Now, try to get that tune out of your head.

And while you do...consider that the definition of what constitutes a “very fine” house varies greatly depending on people’s circumstances. One wonders if Graham Nash would still want to have “two cats in the yard” that needs mowing and raking? Some people (perhaps Mr. Nash included these days) may view a “fine house” as one with little upkeep, amenities onsite and grab bars in the shower. And not everyone is a rock star; some of us must be content to lease a small apartment, start our business in an old building or, if we fall on hard times, hope for help when we miss rent payments. People who are fortunate enough to be able to consider buying a home may want something brand new in a suburb, while others seek the lived-in appeal of older homes in established city neighborhoods or at the end of a country lane. And, no matter their situation and preferences, everyone deserves housing that is safe.

Moreover, housing is essential to our well-being. It’s applicable to every level of Maslow’s Hierarchy of Needs: It shelters us, keeps us safe, is the place where we are most apt to feel love and belonging, can be a source of pride and, having provided all those things, can make it possible for us to be our very best selves.

It’s no surprise, then, that one of the most important things that a local government can do is to encourage efforts to provide a variety of housing types at affordable prices for all its citizens is one of the important roles of local government. However, challenges to fulfilling this mission abound. For cities, developable land may already be built out with little property available for new construction. At the same time, a city could have wide swaths of dilapidated housing and commercial structures that have spill-over effects on the local economy. For towns, the economic hurdles to develop dormant properties or build new units can seem insurmountable. And in the rural areas of counties the infrastructure needed to support housing can be daunting, but for the residents the advantages of living in the country may compensate for the longer commutes and relatively fewer services.

So housing is an important but complicated proposition. As such,

we’ve gathered an array of contributors for this issue of *Virginia Town & City* to look at housing and real estate in Virginia from different perspectives:

Joy Rumley with the Virginia Department of Housing and Community Development discusses options available to local governments to encourage small-scale and in-fill developments. Older urban centers often do not have large plots of empty land available for housing projects, but there may be smaller parcels and empty buildings that cry out for a better use.

Paul Hancher with the Institute for Building Technology and Safety writes about various options localities may exercise to ensure that structures are safe and built to Virginia Uniform Statewide Building Code standards.

Lisa Sturtevant, the chief economist with Virginia REALTORS®, illustrates the importance of the housing market to the overall state economy and analyzes the current real estate market in Virginia.

Staff with the **Virginia Housing Development Authority** explains how that agency can help local governments work with businesses in the private sector to increase the supply of affordable housing.

Wey McLeod spent nearly 30 years as a real estate agent in Richmond before moving to Abingdon. Find out what he considers the big differences and surprising similarities to helping people buy and sell property in two different parts of the Commonwealth.

David Cristeal, the director of the Housing Division in Arlington County and Helen McIlvaine, the director of housing in Alexandria, discuss the affordable housing challenges faced by their localities as they prepare to welcome Amazon’s HQ2 and Virginia Tech’s Innovation Campus.

Finally, **Christie Marra** with the Virginia Poverty Law Center writes about actions that are being taken to address recent studies which found that Virginia has higher than average eviction rates. Discussion also touches on legislation passed in the 2019 session to institute a pilot program designed to help tenants avoid evictions as well as steps being taken by the City of Richmond.



Small-scale real estate development: Opportunity built in your community

A ROBUST REAL ESTATE MARKET is one of the building blocks of a strong local economy. But the power of real estate to drive a local economy and revitalize a community is not limited to big projects. In fact, many of the critical investments most needed to revive downtown buildings, commercial strips and community gateways are made by developers working on a smaller scale.

The Virginia Department of Housing and Community Development (DHCD) has partnered with the Virginia Housing Development Authority (VHDA) and the Incremental Development Alliance to bring new resources about small-scale real estate development to communities throughout Virginia.

How small? The small-scale development discussed in this article are projects involving commercial, residential or mixed-use structures that are one- to three-stories tall. These buildings are often no longer suited for their former use. Additionally, we include smaller, buildable parcels or tracts of land positioned for infill that are sitting empty. These types of properties underperform as community resources and

as part of the tax base, but present opportunities to grow local revenue while reinforcing the character of a community.

Why develop small buildings?

They are the fabric of your community. Smaller buildings are the defining structures of most commercial gateways, entry corridors, downtown districts and urban areas transitioning into residential neighborhoods. They are indicative of the economic and cultural vibrancy of a community and provide affordable housing options and sites for locally owned businesses and community services.

Small buildings are a good investment. Acre for acre, these buildings provide a higher return-on-investment for local governments because higher assessed property values mean more property taxes. Additionally, the rehabilitation and new construction of small

Small-scale success story #1

Harrisonburg

History: The Chesapeake Western Railway Depot was built in 1913 at 141 West Bruce Street. In 1982, it was destroyed by a fire and sat vacant for over 30 years. It was purchased by Jim and John Monger of JM Apartments in 2005 to be used as storage.

Rehabilitation: In 2015 work began on the complete structural and functional rehabilitation of the building. Floors were rotted and collapsing, daylight showed through the roof, all the windows were gone, and brick was falling off – this building was at the end of its life and needed immediate attention.

How did it happen? To close the gap for construction, this project took advantage of the state and federal Historic Tax Credit program, as well as a \$4,000 façade enhancement grant from Harrisonburg Downtown Renaissance Inc.



Today: The long vacant structure has been returned to the tax rolls and houses several beautiful commercial spaces for JM Apartments, R.S. Monger & Sons' Marvin Showroom, Estland Design, The Gaines Group, Herr and Co. and a small museum dedicated to the Depot and its history.



Small-scale success story #2



Wytheville

History: The Bruce & Maupin Building at 205 East Main Street in Wytheville is a historic building constructed in 1884 in the heart of the downtown walking district.

Rehabilitation: The building had been empty for over 30 years when Joseph Hand purchased it in 2016 and began a complete renovation. The building was in very poor condition and was within weeks of being torn down because it was hazardous.

How did it happen? Several incentives from the town of Wytheville and Downtown Wytheville, Inc. were used on this project. The project was awarded a façade grant through the town to assist in the proper restoration of the historical building façade. An architect who specializes in historical property res-



toration was hired through the grant program to make design recommendations. A sign incentive program by the town was also used by the new tenant restaurant to design and purchase effective, attractive signage for the business. The sign design was facilitated and approved by Downtown Wytheville Inc. and the Town of Wytheville Design Committee.

Today: The building is now occupied by a successful restaurant that serves the growing downtown tourism sector and is a favorite amongst locals as well. The upstairs has been renovated into office space, leasable special function space and meeting space.

scale developments result in revenues from building permits, utility hook-up fees, special assessments, business sales tax, business license fees and business income taxes.

It builds local wealth. Typically, small scale buildings are owned and used locally. The business owner who controls his or her building has a significant fixed asset in real estate. Purchasing and redeveloping a building creates wealth for the local owner/investor that can then flow back to the community.

They can fill the “missing middle” of housing. Small scale real estate developments, unlike single family housing or large apartment complexes, add “in between” housing options such as mixed-use developments (i.e. apartments above a business). They might also include a residential rental quadplex well-suited as infill development.

“Small-scale development fills a critical role in the housing market, helping to revitalize underutilized properties and bring more vibrancy to communities. This type of investment helps address the shortage of workforce housing many of our communities struggle with, particularly in underserved areas of Virginia.”

Chris Thompson, VHDA Director of Strategic Housing

The challenges of small-scale development

Cost exceeds value. The cost to redevelop or construct a small property (construction costs, professional services, permits, financing fees, etc.) often exceeds its value (i.e. what the property is worth to someone who would buy or rent it). This makes it extremely difficult to attract private development and financing because there is no perceived value for the investment. In order to help these developments along, the gap between cost and value needs to be closed through incentives.

Not enough small developers. Small-scale development projects can come with as many challenges as a larger development, with fewer resources and smaller overall returns. Sometimes owners of small-scale real estate do not have adequate personal resources to redevelop their property, don't know what to do and/or simply don't want the hassle. For these reasons, communities must work to grow their own developers. By facilitating new ownership of vacant, poorly maintained or underutilized buildings and parcels, localities can provide opportunities for real estate professionals, construction contractors, small business owners and nonprofit organizations to become developers.

Antiquated zoning/burdensome ordinances. Small-scale real estate development projects often require flexibility in rules and regulations to bend to the unique nature of the buildings or location of the parcel to be developed. Stringent local regulations, such as

Small-scale real estate

parking minimums or arduous rezoning requirements, can quickly kill a potentially beneficial project. Localities may need to update their zoning policies to reflect changes in today's lifestyles and construction practices.

Ways to champion small-scale development in your community

Take a look at your zoning, building codes and local ordinances. Do you have any regulatory issues that are prohibiting or curbing real estate development in your community? Informal discussions with existing small business owners, property owners, land developers and those in the real estate market might reveal challenges that could be remediated through updated regulations. While this can be an intense endeavor, it is important if your locality wants to make small-scale real estate development a viable option.

Rally your community behind supporting small-scale. Calculate your community's own ROI for your small-scale real estate in commercial areas and broadcast their value to elected officials, locality staff and those that may be interested in becoming developers. By focusing on these small, incremental changes in buildings on a neighborhood level, you are building a much more sustainable community.

Look at your existing incentives and create new incentives. As described above, sometimes there is a gap between cost and value. Look for traditional and non-traditional ways the public sector can help close that gap to encourage the private sector to engage in small-scale development. This could include grants for building code compliance, property tax grants, loan guarantees, subordinated loans, tenant recruitment assistance, funding for pre-development (environmental assessments, market studies), sales tax grants, historic tax credits and more.

Attend DHCD's trainings.

The objective of this series of events and training opportunities is to cultivate new – and grow the capacity of existing – small scale real estate developers throughout Virginia:

- Small Real Estate Developer and Capacity Building Program – These free educational lectures explain common development challenges and detail a series of finance, design

“Small-scale real estate investment is essential for downtowns to continue to grow, become sustainable and have thriving economies. We are excited to bring this new opportunity and training to Virginia communities to cultivate partnerships in their commercial areas and neighborhoods centered around small-scale development.”

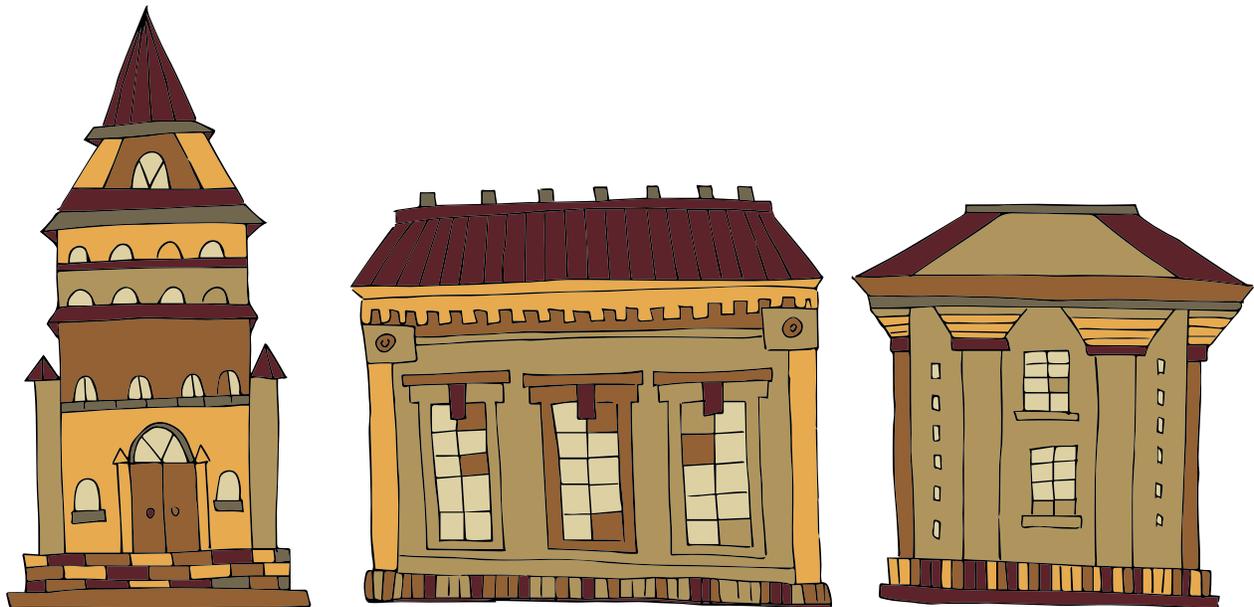
– Erik Johnston, DHCD Director

and construction techniques specific for completing successful small-scale building projects – both rehabilitation and new construction. These talks also explain the value of small buildings to the local tax base. The lectures will take place in Harrisonburg, Wytheville and Petersburg on March 18-19, 2019.

- The small-scale development workshop – This one-day course focuses on how to formulate a project. The training provides a big picture view of neighborhood-based development to help attendees analyze what makes a good project, how a building makes money, and how small developers interact with the broader ecosystem of professionals in the built environment. By the end of the workshop, small developers are more prepared to take the first steps toward their own project. The workshop will take place in Staunton on May 16, 2019.
- The Small Developer Boot Camp – An opportunity for participants to bring an actual project in front of seasoned small developers. Participants work through exercises that look at the zoning code, drawing site plans, creating a financial pro forma and creating a pitch package for investors all based on their own specific project. The boot camp will take place in Lynchburg on July 20-21, 2019.

For more information on upcoming training opportunities around small-scale real estate development, visit www.dhcd.virginia.gov. 

About the author: Joy Rumley is a Community Revitalization Specialist at the Virginia Department of Housing and Community Development.



Third-party oversight helps ensure safe housing for Virginia communities

MANY LOCAL GOVERNMENTS lack the resources to fully satisfy the housing demands of their jurisdictions; this can be especially true when needs vary within the same region. So, how can municipal and county building departments keep up with the demand while maintaining safety standards? Moreover, how can they do this without incurring undue expenditures of time and money?

The Institute for Building Technology and Safety (IBTS) suggests that local government building departments invest in a third-party solution to provide inspection and monitoring services. This on-demand support makes building departments more efficient and effective, prevents backlogs, saves time and money, and allows communities to thrive.

In this article, we take a look at the different forms of oversight IBTS has taken to help localities in Virginia build and maintain quality housing.

Code compliance: Training in your community

Communities often struggle with building code violations because the requirements are misunderstood, misapplied, and/or have changed. IBTS understands these challenges and works with communities to offer customized training programs for architects, engineers, code officials, and building inspectors. These programs are designed to increase awareness of building codes to ensure compliance with current standards and regulations.

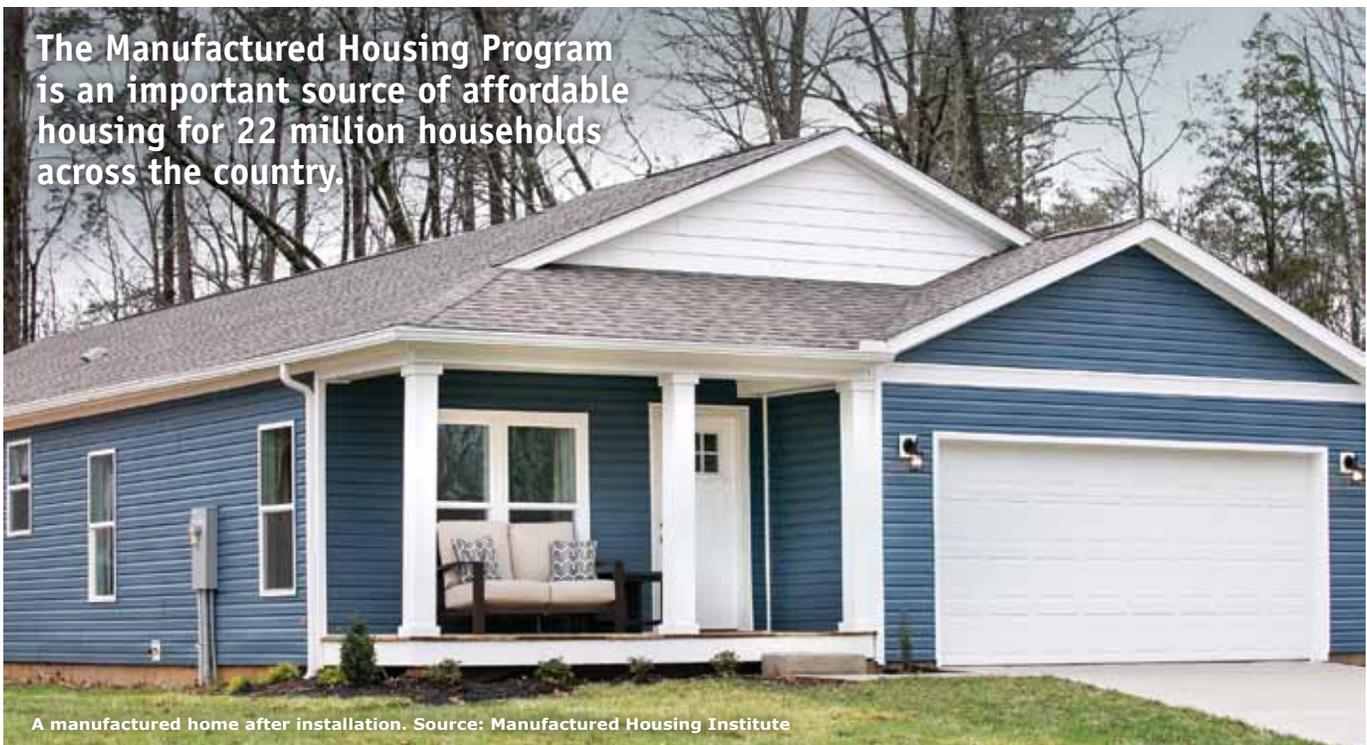
To assist in this training, IBTS recommends the Virginia Department of Housing and Community Development's (DHCD) Jack A. Proctor Virginia Building Code Academy, which delivers administrative and technical code training programs for mandated certification requirements for over 3,500 statewide professional certifications in various code enforcement disciplines including code official, inspection and plan review. Implementing such training programs in your community can help ensure that your building departments have the most up-to-date information available to them and increase your bottom-line performance.

All training programs offered through the Jack A. Proctor Virginia Building Code Academy are available to local government and third-party code enforcement personnel seeking certification. For many code enforcement personnel employed by a levy-contributing locality, there are no tuition costs.

To learn more about the code development courses offered by DHCD, visit: www.dhcd.virginia.gov.

A solid foundation: Manufactured housing installation

The Manufactured Housing Program is a national U.S. Department of Housing and Urban Development (HUD) initiative established to protect the health and safety of homeowners through the enforcement of federal manufactured home construction and safety standards. Since the program's inception in 1976, nearly 82,000



The Manufactured Housing Program is an important source of affordable housing for 22 million households across the country.

A manufactured home after installation. Source: Manufactured Housing Institute

Safe housing

manufactured homes have been produced in Virginia, one-third of which stay within the Commonwealth. But while manufactured homes are a great option for communities that need to expand their available affordable housing, installers must adhere to specific requirements and regulations. As such, your locality may need assistance to ensure that its manufactured homes are installed appropriately.

IBTS can help! We have been the sole third-party monitoring agency for the Manufactured Housing Program from the very start. Our organization is responsible for the monitoring, oversight, and annual assessment of the quality systems and procedures used by manufacturers and third-party agencies.

While the Manufactured Housing Program is a federal effort, local governments are responsible for the installation of these homes. The installation process requires careful attention because it is not within the manufacturer's control, and therefore not covered by its warranty. Working with an experienced installer from the start ensures that the home is safe and that the warranty remains valid.

Licensed, on-site construction professionals and contractors must install manufactured homes to ensure they meet all HUD and state requirements, and that the installation meets the needs of the region's climate. Additionally, all modifications made to a manufactured home must meet local building regulations.

HUD allows for any of the following to inspect a HUD-administered program:

- A manufactured home or residential building inspector employed by the local authority having jurisdiction over the home site, if the jurisdiction has a residential code enforcement program
- A professional engineer
- A registered architect
- A HUD-accepted Production Inspection Primary Inspection Agency
- A Design Approval Primary Inspection Agency (DAPIA)
- An International Code Council certified inspector

Military housing: Building the best for the best

Military construction projects are unique because they are not under the legal jurisdiction of any local government and, as such, do not receive the oversight of a traditional building department. However, it is in everyone's best interest to ensure these housing developments receive appropriate, independent oversight to be on par with similar, private developments in your locality.

IBTS has provided oversight for over 15,000 military homes across the country, including single-family homes and multi-family housing complexes.

In support of the 1996 Military Housing Privatization Initiative, IBTS collaborates with private developers to review designs and inspect homes on U.S. Department of Defense facilities, where counties and municipalities have no jurisdiction.

In one such instance, the developer's contract with the United States Army involved demolishing and rebuilding 1,630 homes, as well as renovating 170 historic homes at Fort Belvoir, Virginia. IBTS, serving as a building official on the project, provided expedited plan review and on-demand inspection services.

This third-party oversight of military housing projects ensures that the structures are sound and meet local code requirements so if the units are ever transitioned to civilian housing, the local government can be assured that they are up to required standards.

Helping you better serve your citizens

By collaborating with a third-party agency such as IBTS, municipal and county building departments are better-equipped to manage periods of high volume and prepared to meet the demands of housing programs that may have regulations outside of the community's norm. This type of support helps to avoid code deficiencies, which reduces cost, improves quality, expedites permits, and accelerates your project. Most importantly, it ensures that your residents have a safe place to call home. 



About IBTS

IBTS helps balance social, economic and environmental priorities by assisting local governments with efficient service delivery through public-non-profit partnerships and regional service agreements.

IBTS is a 501(c)(3) non-profit organization headquartered in Ashburn, Virginia, with branch offices across the country. Our services include: Building and Community Development, Energy and Sustainability Services, Disaster Planning and Recovery, Quality Assurance, as well as Compliance and Risk Monitoring.

To learn more about IBTS's building department services, contact:

Paul Hancher
Director of Building Department Services
phancher@ibts.org

James Turner
Project Manager, HUD Manufactured Housing Program
jturner@ibts.org

For more information, visit www.ibts.org.



The state of the Virginia housing market

THE RESIDENTIAL REAL estate industry is a significant part of the Virginia economy, accounting for close to a fifth of gross state product. According to the National Association of Realtors, a typical home sale in the state generates about \$92,600 in economic activity, supporting both the statewide and local economies (see graphic). There are nearly 2.1 million homeowners across the state, and in 2018, there were more than 120,000 home sales transactions statewide. The health of the state's housing market and the health of the overall economy are inextricably linked.

Home prices are up across the state

Home prices in Virginia continue to rise, a trend that has been occurring for more than five years. The annual median sales price for Virginia has been increasing at a steady 2% to 3% annual rate for the past four years, a sign of consistent demand for homeownership along with relative low inventories. The annual median sales price in Virginia was \$285,000 in 2018, approximately 3% higher than in 2017.

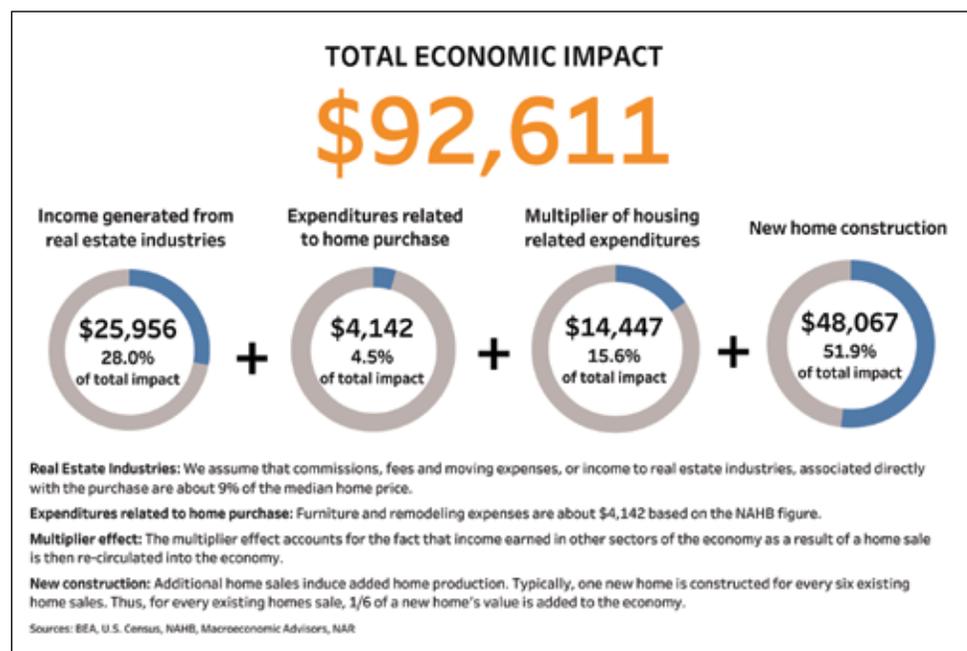
Price gains are occurring throughout much of the Commonwealth. Southwest Virginia had the fastest price growth in December 2018 with the median price climbing 29% from a year prior, a gain of over \$31,000 for that region. In the Northern Virginia market, the median sales price growth rose 2%, a gain of \$9,000, over the year. Southside was the only region to experience a decline in median sales price, falling 23% from a year ago, a drop of nearly \$27,000. (See map below)

Home sales activity slowed modestly in 2018

Sales activity in Virginia slowed down in 2018 after several years of consistent growth. There were 122,451 total homes sold in Virginia in 2018, down by a modest 0.3%. Despite the drop in sales compared to last year, the overall sales totals for the state are

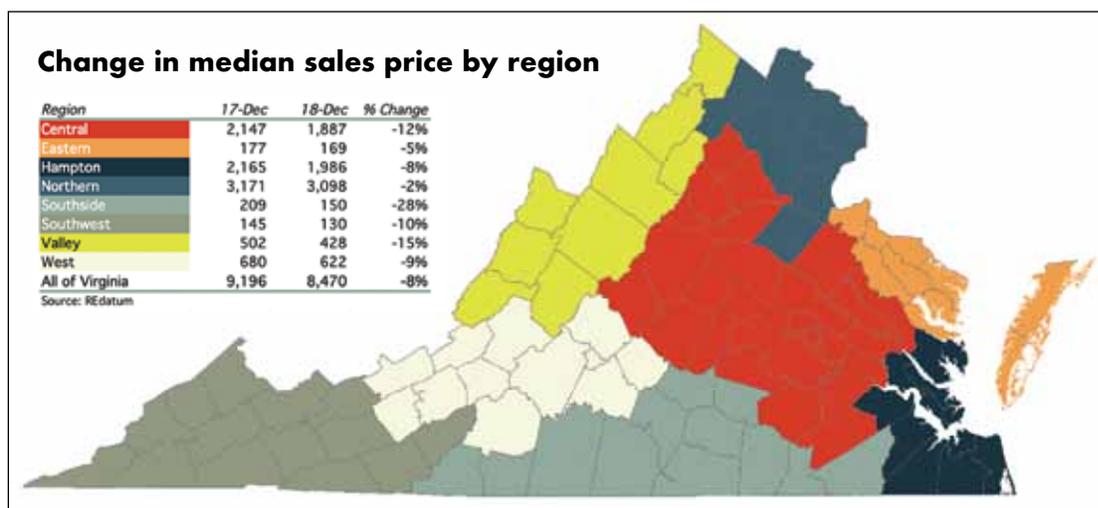
nearly 24,000 more than four years ago.

The decline in sales occurred in all regions of the state in December 2018. The Southside region had the largest drop in sales compared to last year, falling 28% from the December 2017 level. Northern Virginia had the smallest decline of the regions with 2% fewer sales than this time last year. (See graph on next page)



Economic conditions – including job growth, unemployment, wage growth, and consumer confidence – are critical determinants of the health of the housing market in Virginia, and all signs were positive in 2018. Job growth in Virginia was strong, with Northern Virginia accounting for about two-thirds of the gains. The statewide unemployment rate is lower than the national unemployment rate and has continued to fall. Wages have begun to increase broadly across the labor force.

In 2018, the Virginia housing market remained strong with continued price growth and only modest declines in sales activity toward the end of the year. Despite political uncertainties and talk of interest rate increases, the outlook for the overall housing market in the state is positive.



Inventories have started to grow

Limited inventories of homes for sale have been a persistent challenge in the state; however, the supply of homes for sale has been trending up for much of the past year. While the growth has been modest, it is a notable departure from the shrinking inventory that has characterized the housing market for several years. If the uptick in listings continues, it could potentially help alleviate some of the upward pressure on home prices.

However, even while inventories have begun increasing over the past year, the overall inventory level for the state remains low compared to historical levels. In December 2018, for example, there was an estimated 4.9 months of supply statewide, down from 7.4 months of supply in 2014. (See graph below)

Outlook for 2019

There are several key factors in assessing the future health of the state's housing market. Economic fundamentals – job and wage growth, in particular – are critical drivers of the demand for housing in the state and for homeownership, in particular. Despite concerns about the Federal Reserve Bank actions and political uncertainties at both the state and national level, it is likely that economic growth in the state of Virginia will continue to be strong in 2019.

The outlook for the overall Virginia housing market will be positive in 2019. Local markets where economic fundamentals are the strongest will see the strongest market activity.

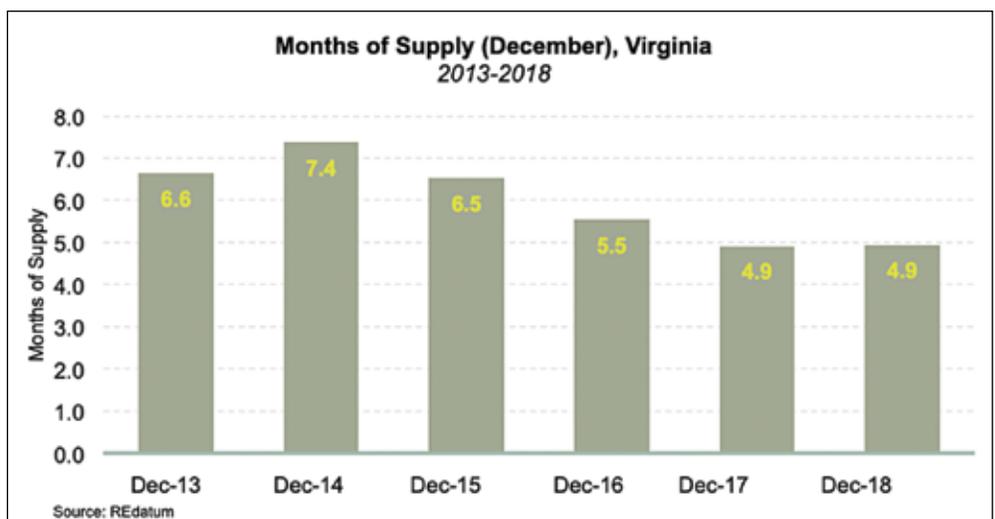
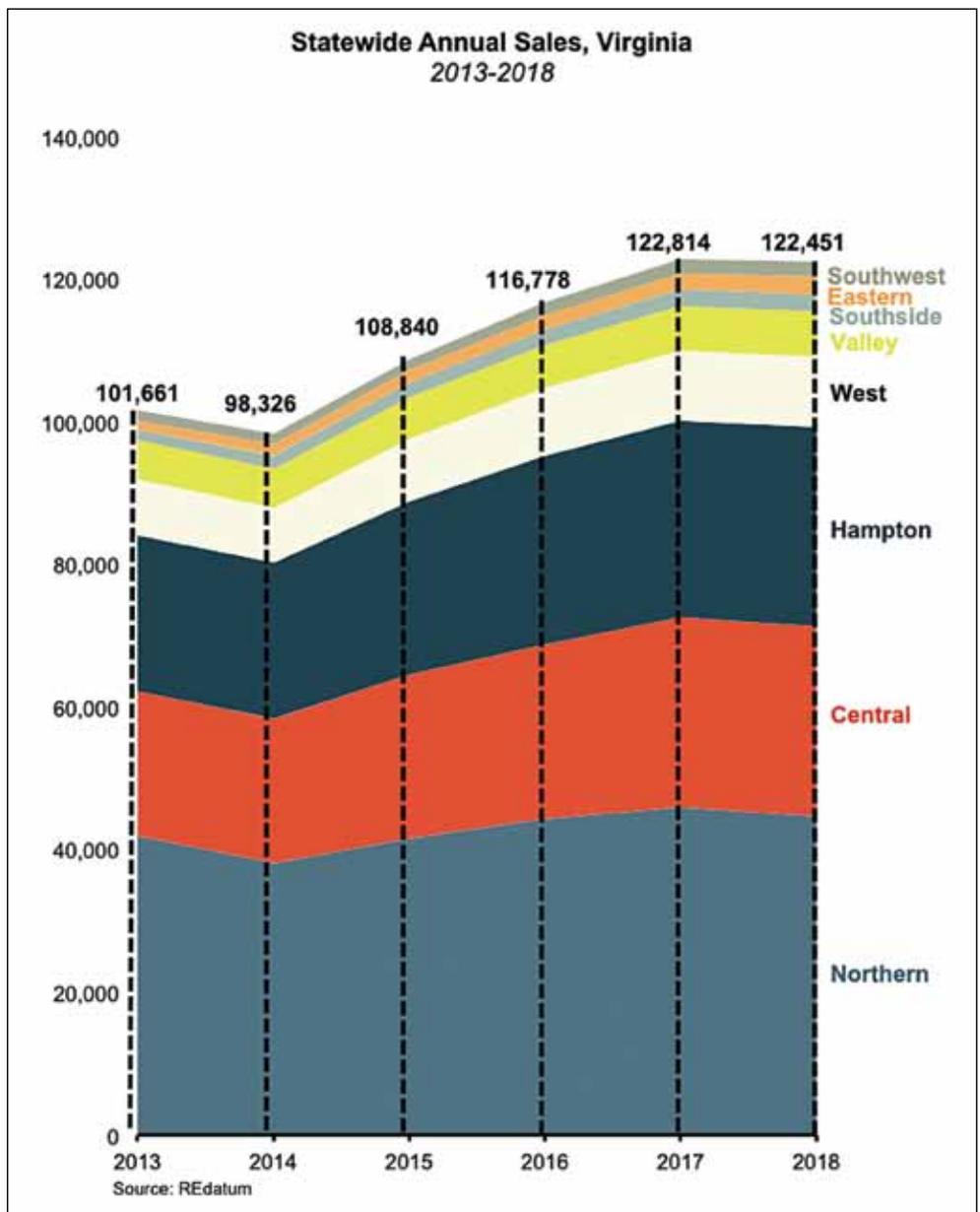
What about Amazon?

There has been a lot of discussion about the impact Amazon HQ2 will have on the housing market in Northern Virginia. Despite fears of dramatic spikes in home prices in the region, research and analysis suggests that the impacts will be much more modest. While Amazon's decision will be a driver of long-term economic growth in the region, the Northern Virginia housing market will not be significantly altered from the already-hot market that it is today. It is likely that the market for particular product types in particular neighborhoods near the new development could be in demand by new Amazon workers.



About the author: Lisa Sturtevant, PhD, is the Chief Economist of Virginia REALTORS®

Virginia REALTORS® is the state's largest trade association, representing nearly 34,000 REALTORS® and serving as an advocate for homeownership and property owners in the Commonwealth of Virginia.



VHDA partnerships provide affordable housing to Virginians

THE VIRGINIA GENERAL ASSEMBLY created the Virginia Housing Development Authority (VHDA) in 1972 with the mission to help Virginians attain quality affordable housing. One of the ways VHDA fulfills that mission is through collaboration with public and private organizations. These partnerships provide a strong foundation to support VHDA's traditional offerings as well as the strategic thinking needed to develop new solutions.

The term "affordable housing" describes housing with total costs, including rent and utilities, that are at or below 30% of a household's gross income.

In this article, we look at some examples of how Virginia communities have benefitted when VHDA and public and private organizations work together.

Planning for the Piedmont

The Piedmont region (which includes the City of Charlottesville and Albemarle, Fluvanna, Greene, Louisa and Nelson counties) clearly enjoys many advantages, but it also has a challenge: more affordable housing is needed.

Some of the district's housing shortcomings are already well documented. In some areas, the waiting lists for public housing and

Housing Choice Vouchers – which serve as rent subsidies – have been closed for years. More than one in five households is cost-burdened, meaning they must spend an unduly high proportion of their income on rent, leaving them vulnerable to financial hardship.

For all these reasons and more, the Thomas Jefferson Planning District Commission has launched a study that will lay the groundwork for addressing the area's housing needs. A \$100,000 VHDA Community Impact Grant is the primary funding source for this study, with another \$50,000 coming from Albemarle County and planning district commission funds.

The study will delve into the issues, identify solutions and explore the quantity and type of affordable dwellings needed to meet current and future needs. Furthermore, the study will examine the forces affecting the supply of affordable housing, and the degree to which the private market is meeting the region's challenges. This information, along with related data, will provide a basis for the region's leaders to draft housing policies and allocate funds and will build momentum for the

Community Impact Grants are awarded by VHDA as a resource for local governments that are pursuing qualified housing planning and community revitalization efforts.



With its rolling hills, quaint downtown shops, wineries, and other attractions of cultural and historic significance, Virginia's Piedmont Region is a desirable place to live.

VHDA partnerships

district's individual jurisdictions to tackle their housing challenges.

Finally, the process will produce a template that can be used by other localities across the Commonwealth to complete the analysis needed for their own comprehensive planning process.

New apartments for Richmond's Church Hill neighborhood

Thanks in part to VHDA's multipronged financial support, a new apartment building called Church Hill North will open in late 2019 for seniors and low-income households in Richmond's East End. Church Hill North will have 105 apartments in the first phase, with more to be added during a second phase. Forty-five of the units are reserved for seniors, and the remaining 60 will be occupied by households with qualifying incomes, including residents of Creighton Court, a nearby public housing complex which is also scheduled for redevelopment in the near future.



TORTI GALLAS + PARTNERS COURTESY THE COMMUNITY BUILDERS, INC.

A drawing of Church Hill North shows brick walkways, trees and architectural embellishments.

The development is being led by The Community Builders, a nonprofit builder of affordable and mixed-income housing with offices in Washington, D.C., Boston, Chicago, Cincinnati, and New York.

VHDA is backing the \$26 million Church Hill North construction in several ways:

- Housing Credits (sometimes called Low-Income Housing Tax Credits, or LIHTC). The Housing Credit program is sponsored by the U.S. Treasury Department and is designed for tenants making at or below 60% of an area's median income. It provides a dollar-for-dollar federal income tax credit to private investors who invest in the construction or rehabilitation of affordable rental housing for low-income tenants.
- Low-interest-rate permanent financing delivered through REACH Virginia, a VHDA program that supports housing initiatives for seniors, the disabled, the homeless, low-income households, and residents of high growth or high cost regions. A substantial portion of VHDA's net revenues go toward funding REACH Virginia each year.
- Additional funding from the Vibrant Communities Initiative, which is a Virginia Department of Housing and Community Development program. VCI's funding, in turn, originates in part from VHDA. VCI is involved in comprehensive community-based projects, including those with affordable housing and economic-development components.

Church Hill North is part of a larger public-private area revitalization project being co-developed by The Community Builders with the Richmond Redevelopment and Housing Authority. The larger project includes more than \$100 million in improvements for the development's 22-acre site along North 31st Street and the 30-acre Creighton Court revitalization project (which calls for the one-for-one replacement of the public housing complex's 504 units).

Affordable apartment homes for NOVA seniors

Thanks in part to VHDA, low-income seniors in McLean now have a new privately managed independent living community housing option: the Fallstead at Lewinsville Center.

The Fallstead, developed by Wesley Housing Development Corporation, is being promoted as a place where affordable living meets enjoyable living. Its 72 one-bedroom and 10 two-bedroom units are reserved for residents 62 years of age and older whose household income doesn't exceed 50% of the area's median income. The Fallstead offers a host of amenities, including a fitness center, business center, library, media room, landscaped courtyard, garden, and more. Of the units 10% are designed for people with mobility issues, and 2% are for those with vision and hearing impairments.

VHDA provided 9% housing credits to support this development.

The nearly nine-acre Fallstead site has undergone several transformations over the years. In 1961, an elementary school was built there; later it was home to a 22-bed independent-living facility.

In 2015, the Fairfax Board of Supervisors gave the green light for the independent-living facility to be demolished and redeveloped into the current 82-unit building. A separate on-site building, developed by the County, is slated to house the Lewinsville Intergenerational Center, an adult day healthcare facility, and a child care center.

The Fallstead's location on Great Falls Street in McLean sits on the doorstep of a bus stop and is within a mile of the Tysons Corner metro station. It is a welcome and much-needed addition to the inventory for affordable senior housing in Northern Virginia.



Looking ahead: Challenges and solutions

In the coming years, Virginia will continue to face a number of affordable housing challenges. These challenges may be exacerbated by federal fiscal constraint which could jeopardize current funding sources and tax code advantages used to produce affordable housing. VHDA is ready to meet these challenges through careful strategic planning and continued collaboration with public and private housing partners. 

For more information about VHDA's programs, please contact Chris Thompson at Chris.Thompson@VHDA.com or (804) 343-5692.



RVA to SWVA: One realtor's journey in Virginia real estate

GROWING UP IN RICHMOND, I was introduced to the real estate industry by my mother who entered the business when I was quite young. Some years later, I decided to follow in her footsteps.

One of the first things I realized as a new realtor was that I needed to increase my knowledge of my native city. I knew Richmond in broad terms, but as a real estate professional I had to learn the specifics of local government and resources throughout the area. I didn't appreciate how large the metro Richmond area is until I got in my car every day and started touring its neighborhoods, commercial districts and thoroughfares with an eye to finding buyers and sellers for property. It was important for my work to know the details that make each area of the city unique: the amenities and resources that would appeal to some clients but not others. As the years passed, I became increasingly assured in my knowledge of the real estate business in general and buying and selling property in Richmond specifically.

Then, in 2016 my family and I decided to move to Abingdon.

Having spent nearly three decades learning the fundamentals of succeeding in real estate in Richmond, I knew that starting over again in Abingdon wouldn't be a matter of simply changing my address. But I love a challenge, so off we went!

Relocation: The good and the bad

The old saying that real estate is all about "Location, location, location" holds some truth; but what's equally true is that it's all about "Relocation, relocation, relocation!" One of the main reasons people look to buy or sell a home is because they are relocating. When prospective clients come to visit a new region, the real estate agent's local knowledge comes into play very quickly. These prospective clients have read up on area's details and they are receiving input from various sources as part of their move. Knowing how to respond to questions and providing general answers is important. In fact, many of my clients are people relocating to the region or considering a second "getaway" home. As such, a real estate agent who is new to a region is at a disadvantage. But, since I too was relocating to the region, it gave me valuable insight into what others in my situation would want to know.

So, you're thinking of moving...

Some of the common questions I get from folks relocating to Southwest Virginia from urban areas have to do with real estate value. Living in the city, we get used to thinking of a home's value as being tied to its specific location within the city. But when you choose to live in the country, you need to consider other measures of a property's value. I have learned that this value is not always returned as a dollar value when it comes time to sell your real estate. Prices will rise, prices will fall but the value of a country home is more often tied to the value of the time you spend there.

Abingdon and the surrounding area have homes, condominiums and commercial real estate just like Richmond...but there are farms and land aplenty. Since you are leaving the city for the country, is land a feature you would like to embrace in your new home? Sure, less is more when it comes to upkeep, but being able to hunt, fish, farm, or having a driving range in your back yard (yup, that's possible down

here) may be just what you are looking for.

Transitioning from the city to the mountains of SWVA also means making some lifestyle adjustments. Why is it so dark at night? Oh right, no city lights illuminating the evening sky. That noise you hear at midnight probably isn't the roar of traffic, more likely it's wildlife, or hunters or maybe just the wind through the trees. Is cable available in this neighborhood? Maybe. Internet? Well, yes, but perhaps not at the speed you're used to in the city. Recycling, trash collection? Time to invest in a pickup truck perhaps. How does a well and septic system work? Answer: If they're not working, you'll know about it and it will literally be in your backyard!

Everywhere you go, there you are

Whether you live in town, city or county you still need to make your bed, get dressed, and go about your day. As such, some questions stay the same no matter where you are. One of the questions I still encounter regularly: How long is the commute to work, school, the local grocery store? It may come as no surprise that the commute to those places in the country can be longer in terms of miles but less in terms of stress (and often shorter in terms of actual time spent in the car).

Adjusting to my new home took time. I still miss the public transportation, variety of restaurants, and my favorite shops in Richmond. But each morning when I navigate new roads to look for housing options for my clients, I enjoy getting lost (both figuratively and sometimes literally) in the natural beauty of SWVA.

At the end of the day, I feel everyone in Virginia is lucky to call the Commonwealth home because there is so much to enjoy. Today is a great day to visit a new town and consider a change. "Virginia is for Lovers" doesn't just mean loving others; for me it means Virginia is for lovers of what's around and in Virginia there's so much around to love.

If you are thinking of making a move take a look at the map and start exploring. If you make it to Abingdon let me know. I would love to meet you.

Country Realtor vs. City Realtor

What stays the same:

- Contracts and procedures may vary slightly within different real estate association areas, but the real estate business guidelines are similar across the Commonwealth.
- It's important to make connections with local area professionals. Being able to point clients to the appropriate businesses can make all the difference no matter where you are.

What changes:

- Each real estate association has its own multiple listing services. This is important to remember when considering hanging up your shingle in a new location.
- Being close to Tennessee, North Carolina, and Kentucky, it's important to be aware of the different rules and regulations in those states. But we interact with other regional agents in the work place and learn a bit from one another. 

About the author: *Wey McLeod is an Associate Broker with Berkshire Hathaway HomeServices, Jones Property Group & One South Realty Group.*

Housing affordability: Challenges coming to Arlington County and the City of Alexandria as a result of hi-tech initiatives in the region

INVESTMENTS IN INFRASTRUCTURE – such as schools, parks, libraries, transit, and other public facilities – have made Alexandria and Arlington sought after places to both live and work. However, both jurisdictions recognize that efforts to preserve and expand housing affordability are a critical component of their continued economic success. As such, Arlington County and the City of Alexandria have invested considerable financial and land-use resources to preserve and expand their supply of affordable housing to a wide range of working households. These resources have been critical to address the loss of affordable housing that has been most acutely felt by renters in the area but also by the region’s moderate-income earners who wish to purchase a home.

Arlington and Alexandria have lost approximately 29,000 “market affordable rental units” since 2000. Most of these units were lost due to rent increases.

In this article, we will examine how affordable housing considerations were part of the Amazon HQ2 proposal process and how they continue to figure prominently in the region’s preparations for the tech giant’s arrival along with Virginia Tech’s Innovation Campus also coming to the area.

Stronger together

Arlington and Alexandria’s decision in the Fall of 2017 to collaborate on a joint response to the Amazon HQ2 competition, as part of the Virginia Economic Development Partnership’s overall Virginia

submission to Amazon, might seem like an unusual economic development practice. But the opportunity to host Amazon’s new HQ2 was in and of itself unusual since it would provide a tremendous boost for both localities as well as the entire region. The decision to collaborate reflects the jurisdictions’ early assessment that their shared real estate assets, transportation infrastructure, human capital, and social values would make the location attractive to Amazon.

Adopting a less territorial approach also enabled the two local economic development teams leading the effort to combine staff expertise for added guidance and input. Along with their regional and state partners, this cadre helped troubleshoot and respond to issues likely to be important to Amazon based on its member’s experience and aspirations.

Welcome to “National Landing”

To the people who live and work in the area selected for the proposal – Arlington’s Pentagon City and Crystal City, and Alexandria’s Potomac Yard – the boundaries between the neighborhoods feel invisible. To underscore this fact to Amazon, the collaborative proposal team rebranded the region as “National Landing.” Fortuitously, the area had recently undergone a comprehensive planning effort which meant that, if selected, Amazon would only need to make minimal updates to accommodate the necessary development and redevelopment for HQ2.

The region’s suitability for hi-tech endeavors was further evidenced by Virginia Tech’s recent decision to establish an Innovation Campus less than two miles away from the proposed HQ2 site. Although the Innovation Campus presents additional affordable housing



After years of exploring Northern Virginia locations, Virginia Tech plans to invest \$1 B in an “Innovation Campus” in Alexandria focused on graduate level programs in engineering, technology and data sciences.

Affordable housing considered from the start

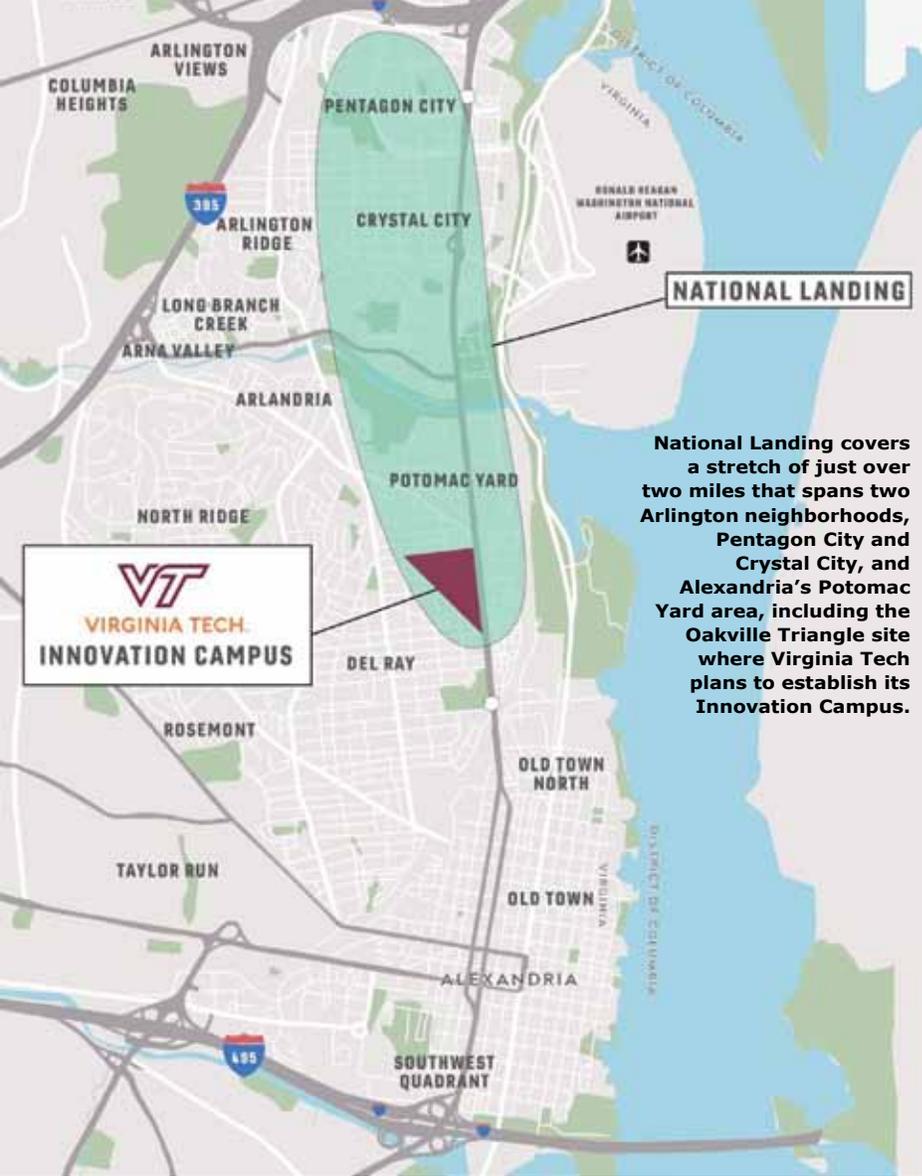
Early in the process, various participants in the HQ2 proposal voiced concern over the impact to the region's already strained housing market. It was common knowledge that Amazon's exponential corporate growth in Seattle had placed extraordinary pressures on that area's real estate market and been blamed for problems like increased homelessness and a dearth of affordable and workforce-income level housing options. Furthermore, economic development organizations in both Arlington and Alexandria had recently lost business prospects who found the area's housing costs too high for their employees. While both Arlington and Alexandria had made substantial investments to produce and preserve affordable units over the past decade, it was clear to the proposal team that meeting the housing needs associated with Amazon's HQ2 over the next 10-12 years would require new levels of innovation, collaboration and resources from all partners. The team had to consider not only the planned 25,000 jobs associated with Amazon's HQ2 but also the many other jobs generated to support Amazon (including in lower wage sectors like retail, construction, hospitality and services).

With support and participation from the State, especially staff leadership with the Virginia Housing Development Authority (VHDA), Northern Virginia housing staff convened a brainstorming session with peers from other local governments and housing authorities, as well as industry and nonprofit housing development chief executive officers. This group met to candidly discuss what it would take to provide the range of housing options needed for Amazon's HQ2 and related workforce.

This meeting was remarkable not just because of the discretion of the attendees during an intense period of national competition and media scrutiny, but also for the creative collaboration that enlivened the group's positive, problem-solving approach. The group discussed many housing types, tenures (i.e. the financial arrangements under which someone has the right to live in a

house or apartment) and ranges of affordability and calculated a preliminary estimate of the public investment that would be needed to achieve its affordable housing goals.

The urgency to plan for an adequate supply of housing increased in the Spring of 2018 when Northern Virginia was selected as one of 20 HQ2 finalists. The planning discussions expanded to include regional businesses, philanthropists, real estate professionals, educators, healthcare providers, technology experts and venture capitalists (to name but a few) as new stakeholders. This constellation of groups, including the Metropolitan Washington Council of Governments and the Greater



National Landing covers a stretch of just over two miles that spans two Arlington neighborhoods, Pentagon City and Crystal City, and Alexandria's Potomac Yard area, including the Oakville Triangle site where Virginia Tech plans to establish its Innovation Campus.



challenges, it is believed that the synergy between the tech giant's new headquarters and the Innovation Campus' ready workforce of trained technology, engineering and data science graduates brings great opportunities to meet those challenges.

Amazon HQ2 will occupy or develop between 4-8 million square feet of office space in Arlington's Pentagon City and Crystal City areas for its 25,000+ workers at a total investment estimated at \$2.5 billion or more.



Housing affordability

Washington Partnership and the Urban Institute, are now studying the issues associated with HQ2 as well as the region's overall housing production capacity. More importantly, these groups are raising awareness of affordable housing among potential investors, many of whom have never considered the issue.

One example of new leadership in this area is JBG-SMITH, the real estate investment trust that owns the portfolio of buildings and property in Pentagon City and Crystal City set to comprise Amazon's first 4,000,000 square feet of its new headquarters. JBG-SMITH established and provided seed money for an eventual \$150 million Social Impact Investment Fund that aims to raise money from non-traditional housing investors to develop or preserve up to 3,000 affordable workforce units in high impact areas of the metropolitan region.

The State committed resources to promote affordable housing as part of its incentive package, which also included transportation upgrades, infrastructure improvements and economic incentives tied to future performance. Specifically, to complement local funds put forward by Arlington and Alexandria (a total of \$150 million over 10 years), the Commonwealth, through VHDA, made a financial commitment of \$75 million in Resources Enabling Affordable Community Housing (REACH) funds.

Concurrently with the Amazon announcement in November, 2018 that NoVA had been selected as an HQ2 site, Governor Northam signed Executive Order No. 25 (at the state's annual housing conference, coincidentally held in Crystal City that year) which "directs the Secretary of Commerce and Trade, with the assistance of the Director of the Department of Housing and Community Development and the Executive Director of the Virginia Housing Development Authority, to identify and implement actions to enable the development of quality, affordable housing with the goal of strengthening communities and fostering economic growth." The State's financial participation, in cooperation with Arlington and Alexandria's efforts, will help the localities successfully address their housing affordability challenges.

Here comes HQ2 and the Innovation Campus

Although future Amazon employees will live throughout northern Virginia, the District of Columbia, and Maryland, it is likely that Arlington and Alexandria will experience the greatest impact to their housing markets. Both jurisdictions, which continue to collaborate, are preparing to meet this challenge with local tools, strategies and resources to be leveraged along with the \$75 million of new REACH funds committed by VHDA. In mid-March, VHDA will convene a Northern Virginia-based stakeholder group to provide input on criteria for how the new REACH resources can have the greatest impact on housing needs related to Amazon and Virginia Tech. Going forward, Arlington and Alexandria hope to encourage VHDA

A study by the Stephen Fuller Institute of GMU estimates that approximately 22% of Amazon employees are projected to live in Arlington and Alexandria.

to expand its five-year REACH commitment and to provide economic development to support more location-efficient housing affordability consistent with the goals outlined in Executive Order No. 25.

Although faced with a rapidly growing and changing economy, officials in Alexandria and Arlington are confident that with the increased participation of the State and private sector, both communities will be successful in their efforts to continue to be vibrant and equitable places to work and to live.

Getting ready by the numbers

Both Arlington and Alexandria are taking a multitude of steps to prepare for HQ2 and the Innovation Campus. Here are some of the highlights:

Arlington:

- Over 2,100 Committed Affordable Rental units (CAFs) in some phase of development.
- Despite countervailing market forces, sustained commitment to housing affordability has increased the current inventory of CAFs to more than 8,100 units.
- More than 4,000 units residential units currently under construction (Northern Virginia has a total of 115,000 in the development pipeline).
- Established plans call for tens of thousands of additional residential units in Arlington's transit corridors over time.
- Projected to invest \$7 million per year for 10 years with a goal of creating 1,000 units of affordable housing in and around the project area.
- Two Opportunity Zones located in planned areas with incentives and resources potentially available close to the Crystal City / Pentagon City areas.

Alexandria:

- Continue to fulfill commitments to implement the 2013 City Housing Master Plan, including its target of 2000 new affordable units by 2025.
- Provide annual dedicated resources for affordable housing of at least \$8 million, including \$2 million Housing Trust Fund dollars, \$5 million Meals Tax Revenues and \$1 million Amazon dedication.
- Use non-financial tools to maximize affordable housing and secure committed units through the development and planning processes (including bonus density, the residential multifamily zone, use of city-owned property and co-location).
- Outreach to neighborhoods in close proximity to National Landing, including potential technical and financial assistance to preserve/expand housing affordability. 

About the authors:

David Cristeal has served as the Director of the Housing Division of Arlington County's Department of Community Planning and Development since 2013. Cristeal is a member of the Urban Land Institute's/DC Chapter Housing Initiatives Council, the Metropolitan Washington Council of Government's Housing Directors' Advisory Committee and VHDA's Rental Advisory Board.

Helen McIlvaine has been Alexandria's Housing Director since 2015, serving as Deputy Director from 2006 through 2014. McIlvaine is a member of VHDA's Rental Advisory Board and is currently co-chair of the Metropolitan Washington Council of Government's Housing Directors' Advisory Committee.

For more information about how the region is preparing to welcome Amazon's HQ2 and Virginia Tech's Innovation Campus, visit the following:

<https://www.arlingtonva.us/amazon/#>

<https://www.alexandriava.gov/NationalLanding>

Evictions in Virginia: Alarming facts, promising ideas and proposed solutions

IN 2017, RENOWNED POVERTY EXPERT Professor Matthew Desmond founded Eviction Lab to “collect national data on eviction and to address fundamental questions about residential instability, forced moves, and poverty in America.” When Eviction Lab’s data came out in the spring of 2018, Virginians were alarmed to learn that:

- Five of the ten large cities with the highest eviction rates in the country are right here in the Old Dominion. In 2016, those five cities had an average eviction rate of 9.7%.
- Three of the five mid-size cities with the highest eviction rates in the country are also in Virginia. In 2016, those three cities had an average eviction rate of 16.1%.
- Virginia overall had an eviction rate of 5.12% in 2016, more than twice the national average.



Faced with these embarrassing statistics, the Virginia Housing Commission formed a special work group to consider how to lower the state’s eviction rate. One of the work group’s members, Martin Wegbreit, the Litigation Director at the Central Virginia Legal Aid Society in Richmond, had been studying eviction diversion programs in other states. He asked the Commission to consider how an eviction diversion program might help reduce evictions.

Wegbreit looked at the programs in Durham, North Carolina and Lansing, Michigan, which provide legal and financial assistance to tenants facing eviction. The Michigan program refers tenants to Michigan State University’s College of Law Housing Clinic, and the Durham program refers tenants to the local legal services program. Both programs provide free legal assistance to low-income tenants. Furthermore, because most tenants facing eviction have experienced a temporary loss of income, the Lansing and Durham programs recognize and address the need to provide short term financial assistance.

In an interview with *City Pulse* (a Lansing area weekly newspaper), director of the Ingham County Department of Human Services, SuAlyn Holbrook noted that the eviction diversion program “is for those who have run into some kind of hardship but have been good tenants. They’ve hit a bump in the road and now they just need some assistance to get back on board.”

This approach has been successful. A 2017 evaluation of Lansing’s eviction diversion program found that it reduced eviction rates by more than twelve percent.

The Virginia Housing Commission also recognized the need to assist those tenants who are unable to pay their rent because of an unforeseen expense, such as a bill for a necessary car repair or an emergency medical cost. The Commission endorsed legislation to create four pilot eviction diversion programs in Danville, Hampton, Petersburg and Richmond. The General Assembly embraced the promise of these pilot programs. As of the writing of this article, the bill establishing these pilot programs (SB 1450) has passed both the House and Senate unanimously and is awaiting the Governor’s signature.

The proposed Virginia legislation has very specific requirements. To qualify, a tenant must pay 25% of the rent owed on the first court date, and then must pay the balance owed in three equal installments over the following three months. In addition, qualifying tenants have to remain current in their ongoing rent. If they miss a payment, the landlord has to simply notify the court in order to get a judgment for the unpaid amount and the right to evict the tenant. A copy of the notice sent to the court must also be sent to the tenant, and if in fact the tenant has paid all the rent as required, he or she can file an affidavit to that effect to stop the judgment in favor of the landlord from being entered.

If passed, the four pilot programs will be in effect from July 2020 until July 2023, unless the General Assembly decides to extend or make them permanent. The legislature could also decide to make the eviction diversion program established by this year’s legislation statewide. In the meantime, localities across the state are free to establish eviction diversion programs.

Richmond is planning on doing exactly that. The city is poised to implement an eviction diversion program in the summer of 2019, a full year before the state mandated program would become effective. Richmond’s program would differ in two significant ways from the proposed pilot programs. First, it would be voluntary. Both the tenant and landlord would have to choose to participate. The pilot program poised to begin in 2020 would require participation of the parties if the tenant met the basic requirements. Second, the Richmond program is likely to come with financial assistance for the tenants. This session’s eviction diversion legislation does not come with eviction prevention funding, nor does it mention the option for localities to provide such funding. However, it does not prohibit a locality from establishing an eviction prevention fund to be used in conjunction with the eviction diversion program.

Anyone concerned with lowering eviction rates in the Commonwealth should perhaps keep their eyes on Richmond in the next few years; it may be the only place in Virginia that pairs a financial assistance program for tenants at risk of eviction with the structure of the state mandated provisions for the pilot eviction diversion programs. According to Wegbreit, “If the Richmond Eviction Diversion Program is properly funded and staffed, it will change the narrative from Richmond being among the national leaders in evictions to it being the leader in eviction reduction.” 

About the author: *Christie Marra is the Family and Housing Law Attorney at the Virginia Poverty Law Center (VPLC).*

FOCUS ON OUR MEMBERS

Local officials are a fascinating bunch of people who have careers all over the board and a range of backgrounds and interests. Over the next several months VML will include a brief focus on various members so that we can all gain an appreciation of what a diverse group occupies the seats in council and board chambers. Do you know someone who could be featured? Email Rob Bullington at rbullington@vml.org.

By Mary Jo Fields

John “David” Smith, Mayor, City of Winchester

DAVID SMITH WAS SWORN in as mayor of Winchester in 2017. He is a co-owner of two restaurants in Winchester, the Water Street Kitchen and the Village Square Restaurant & V2 Lounge. Before coming to Winchester, he owned of a horse farm in Summit Point, WV and was a counselor for several social services organizations including Planned Parenthood and the Fair Housing Council.

One of his goals in running for mayor was to improve the quality of living for people in Winchester. The Mayor’s Fitness Challenge fits right into that goal. It promotes physical activity while providing an opportunity to get to know the mayor and learn about the city. People participating in the “Walking with the

Mayor” programs take a casual walk with the mayor or go for a full cardio walk on the City’s Green Circle Trail. Or, neighborhood walk groups can register and David will join a group when he can (although the life of a restaurant owner presents some obstacles to that). David also initiated community kickball games at one of the city’s parks. Finally, The Mayor’s Fitness Challenge online portal offers a functional way to keep track of weight loss goals. Meal plans and recipes for healthy, economical dishes are also available.

The crazy schedule of running for political office is what motivated David to focus on a healthy lifestyle. After gaining weight during his campaign and not having enough time for exercise, David chose to attack the problem by adopting a healthier lifestyle, and by becoming a champion for spreading the word about the benefits of exercising and healthy meals.

David’s participation in community activities clearly shows his commitment to organizations that focus on people. He is the president and co-founder of Winchester Main Street Foundation, which works to bring community events to the city. He is a past chair of the Family Services Committee for Habitat for Humanity and has served on the board of that organization. David is the vice president of Celebration of Hope, a grassroots initiative that raises funds, awareness and support in the Winchester area. This initiative holds a gala each year and since it began 13 years ago, the Celebration of Hope initiative has raised over \$210,000 to fight cancer on the local level.

Most of us want to give back to our communities and David has worked to give back in an observable, concrete way.



Don Harris, Mayor, Town of Bluefield

DON HARRIS IS THE LONG-TIME mayor of Bluefield and an even longer-time member of the town council. His dedication to the town comes naturally: He was born and raised in Bluefield, leaving in 1956 to join the U.S. Air Force. He ended up stationed in Orlando, where he met his wife Wendy, and where he started on the journey to owning a jewelry store in Bluefield. He got a part-time evening job as a janitor in a jewelry store in Orlando, and after he finished his military service, stayed on to work full-time. The manager of the store “tutored and mentored” Don, who stayed for about three years after his discharge.

But the family ties in Bluefield kept tugging; Don and Wendy went back and opened a jewelry store in the downtown. He and a friend from high school decided to do something about the number of vacant buildings in the town. The two of them started an organization to increase the number of occupied buildings – and they were successful.

Don still has his store in Bluefield. When asked about competition from national “big box” companies, he said that he and other small business owners have learned that when you’ve got a competitor, it makes you compete. You learn to stay one step ahead of your competition and that can mean changing your business model to meet the changing demands from customers. For example, his store is now geared more toward to repair than sales.

Don says that he has been driven to make Bluefield a better community and one of the areas about which he has been most passionate is the physical well-being of Bluefield’s residents. This town of 5300 has a full-fledged array of parks and recreational activities. He will be quick to say that he doesn’t deserve the credit for the good things that have taken place during his tenure on Bluefield’s council, but during that time the town has built a new municipal building and fire station, has paid for a \$1.2 million state-of-the-art fire engine and opened a tourism information center.

Don’s dedication is not limited to Bluefield, however. He is a long-time member of VML’s Legislative Committee, serving as chair for the last two years and as vice chair before that. That adds up to a lot of trips to Richmond!

In many of our “Focus on Our Members” features, one theme rings out clear and loud: The power of an individual. Don exemplifies that theme.



About the author: Mary Jo Fields is an adjunct VML staff member and a contributing editor to *Virginia Town & City*.



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Find out more. Contact VHDA's Director of Strategic Housing, Chris Thompson, at 804-343-5692 or Chris.Thompson@vhda.com.

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