



JOBS, TRANSPORTATION, AND AFFORDABLE HOUSING

CONNECTING HOME AND WORK





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HOUSING VIRGINIA

JOBS,
TRANSPORTATION,
AND AFFORDABLE
HOUSING

**CONNECTING
HOME AND WORK**

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ACKNOWLEDGEMENTS

The Southern Environmental Law Center is a nonprofit organization dedicated to protecting the natural areas and resources of the South. SELC works with more than 100 local, state, and national groups, providing legal and policy expertise on issues relating to transportation and land use, air and water quality, forests, coasts and wetlands.

SELC's Land and Community Program promotes smarter growth, sensible transportation choices, community revitalization, and open space conservation.

Housing Virginia is a broad-based, statewide partnership of public and private organizations and committed individuals. We believe that all Virginians should have access to high quality, affordable housing in suitable locations.

We accomplish our mission by promoting a positive image of affordable housing; demonstrating the need for affordable housing throughout Virginia; supporting the work of local and regional housing networks to educate, communicate and advocate for affordable housing; influencing public policy and planning to enhance the supply and quality of affordable housing; encouraging the development of a supportive administrative, regulatory and financial environment; and, convening key stakeholders to advance forward-looking housing policy development.

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OVERVIEW

Quality, affordable housing is a cornerstone of sustainable economic vitality and personal well-being. Yet housing affordability is a critical challenge throughout Virginia—a challenge heightened by the recent recession and continuing economic turmoil.

Faced with few affordable options, many people attempt to find less expensive housing by buying or renting farther out, but long commutes often result in higher transportation costs that erase any savings on shelter.

Housing prices, therefore, should not be considered in isolation. To build affordable communities, we must address transportation as well as housing costs. And to build strong communities, we must further expand our focus to address the links among jobs, transportation, and affordable housing.

THE CURRENT DISCONNECT

Housing costs can make it difficult for people providing critical services to live in the community they serve. Localities need to ensure an adequate supply of workforce housing so that teachers, police, firefighters, and people in a host of other occupations can afford to live in the areas where they work.

In addition, jobs in many areas have become more decentralized and increasingly are not located close to existing housing. Other issues make it difficult to build affordable housing near areas where job growth is occurring, such as single use zoning, large minimum lot size requirements, and additional policies in many localities. This spurs scattered development, which in turn leads to long and costly commutes—particularly in areas with no meaningful alternatives to driving—while contributing to a host of problems such as traffic congestion, pollution, and higher costs to taxpayers to serve sprawl. A gap between jobs and housing can further harm local economies by making it more difficult to attract and retain businesses and qualified employees. Moreover, an imbalance between jobs and housing places many jobs out of reach for those who do not own a car, especially if there is no adequate transit connection to places of employment.

LINKING JOBS, TRANSPORTATION, AND AFFORDABLE HOUSING

Understanding and improving the connections among jobs, transportation, and affordable housing needs to be a top priority for decision makers and citizens across the Commonwealth.



There are significant opportunities for change.

A range of potential policies could help to provide housing and transportation choices for households of all income levels, sizes, and needs and to link jobs,

transportation, and affordable housing. These policies include regulatory changes, investments, and incentives to promote mixed use, mixed income development that is more energy-efficient, walkable and served by transit. Policies are being adopted and developments have been built or are underway in many places in Virginia to encourage this alternative approach to growth. Support for these policies can come from many directions, since this approach can offer multiple economic, health, social, environmental, quality of life, and other benefits.

Of course, the nature of the challenges involving jobs, transportation, and housing affordability are not uniform throughout Virginia—nor are the political and financial resources available to address these challenges. Many of the basic challenges, however, are shared and solutions can be tailored to fit a particular area.

Some of the most promising policy options include:

- Eliminating regulatory barriers to more compact development with a mixture of residential and commercial uses and housing with a mixture of styles, sizes and prices;
- Promoting infill development, revitalization of existing communities, and redevelopment of declining or abandoned commercial areas;

- Planning and incentives to guide new development to designated growth areas, and to include development serving a range of incomes in such areas;
- Offering incentives for green buildings that are healthier, cleaner, and more energy efficient;
- Providing greater transportation options by re-orienting state and local expenditures to advance alternatives to driving; and
- Offering incentives for developers to include affordable housing in projects and providing funding for affordable housing.

This report provides an overview of current challenges and highlights some of the demographic changes—such as a rising and aging population—that will shape and complicate these challenges. It then goes on to explore a range of practical, workable solutions and opportunities to build a better future for Virginia’s communities.

We must provide affordable, quality housing that is more sustainable, closer to jobs, and that offers multiple transportation options. Making the connections among housing, transportation, and jobs is critical for all Virginians.



HOUSING AFFORDABILITY

Virginia faces serious housing affordability challenges. Too many people are carrying an unsustainable burden of housing costs, whether mortgages or rental payments, or are unable to find suitable housing close to their work as the demand for affordable housing often far outpaces the supply. Other homeowners are having a difficult time staying in their homes in fast growing areas as property values and taxes rise. These and other challenges have increased as a result of the worst economic downturn since the Great Depression, ongoing governmental budget problems, and tighter credit.

Housing costs are the greatest expenditure for the average household, with almost one-third of all spending by people in the South going to housing.¹

Although many factors influence affordability, housing typically is considered to be affordable if it costs no more than 30% of the income of a household; beyond that level, a household is considered to be cost



burdened. Recent estimates are that almost 30% of all homeowners and almost half of all renters statewide are cost burdened, with a total of almost one million Virginians spending over 30% of their income on housing.²

Housing Cost Burden by Income in Virginia (2008)

Home Owners



Renters



Note: Cost Burden means housing costs over 30% of reported household income; in addition, these numbers are subject to sampling variability.
Source: Adapted from Housing Virginia, *Housing Affordability Index (HAI) Sourcebook*

The percentage of cost burdened households is much greater for low income households.

A recent national report found that Virginia is the twelfth most expensive state in the country for renters and that the hourly wage a person needs to earn to be able to afford the average rent statewide rose 54% in the Commonwealth between 2000 and 2010—the 10th highest rate of increase in the country.³ A household would have to have 2.7 people working full-time at the minimum wage of \$7.25 per hour to afford the average statewide rent on a two-bedroom apartment.

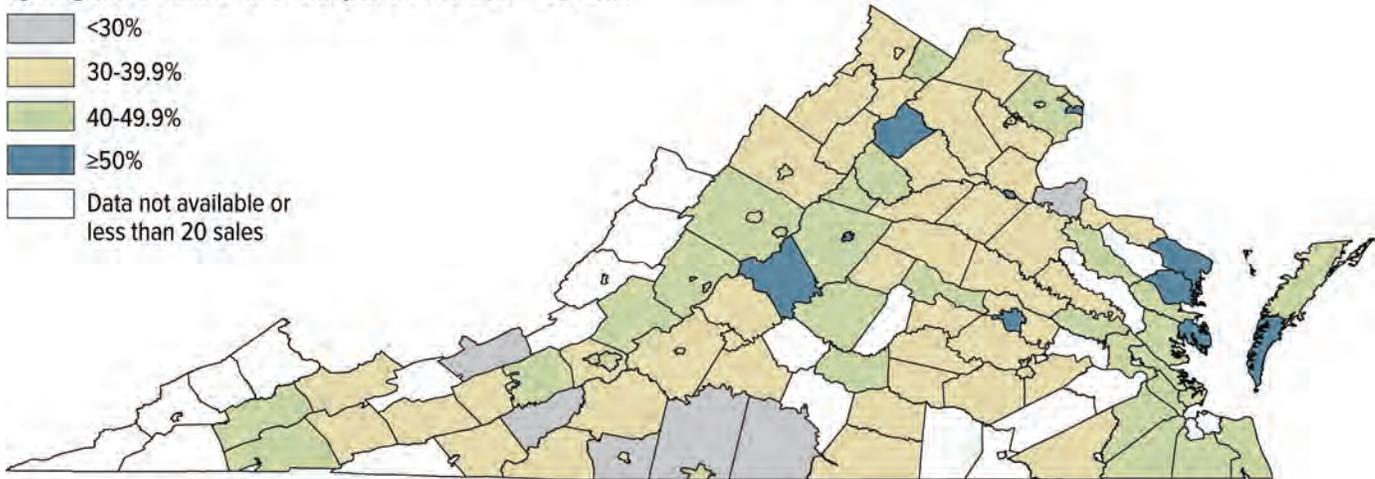
There are wide variations in housing affordability among localities, and even among different parts of the same locality. The map below provides a recent snapshot that illustrates some of this variability, depicting the percentage of household income that the typical household earning 60% of the area median income (to capture affordability for low income households) would have to pay to own or rent the typical housing unit. The map also indicates that over 30% of the income of low income households would be needed to buy or rent the typical home in areas throughout most of Virginia, and Housing Virginia's recently released Housing Affordability Index Sourcebook further notes that a Virginia household at 60% of median income would need to spend over 41% of its income for housing.⁴

Another examination of affordability found that under typical terms and conditions the median household income is not enough to buy a median value house in half of the regions of the Commonwealth—Northern Virginia, Hampton Roads, Central Virginia, Shenandoah, and Eastern Virginia.⁵

Although housing prices have declined in most areas in recent years, they have not fallen far enough to close the affordability gap for many individuals and families. Among other things, prices escalated much more rapidly through most of the past decade than the recent decline, the unemployment rate remains high, people face tighter credit and higher down payment requirements, and declining home values have hurt the net worth of many households. In fact, although the statewide median sale price has declined recently, the percentage of cost burdened households has continued to rise.⁶

The bottom line is that in much of Virginia it can be difficult for low to moderate income households to find decent, safe housing they can afford.

Overall Housing Affordability Index at 60% of Median Household Income by Virginia Counties and Independent Cities – 2Q 2010



Source: Adapted from Housing Virginia, *Housing Affordability Index (HA) Sourcebook*

TRANSPORTATION AND AFFORDABLE COMMUNITIES

A common response to the lack of affordable housing has been to move farther out looking for cheaper places to buy or rent. The “drive ‘til you qualify” approach has spurred far-flung development and forced people to drive longer distances to get to work, to get groceries, to take children to school, or to engage in other activities.

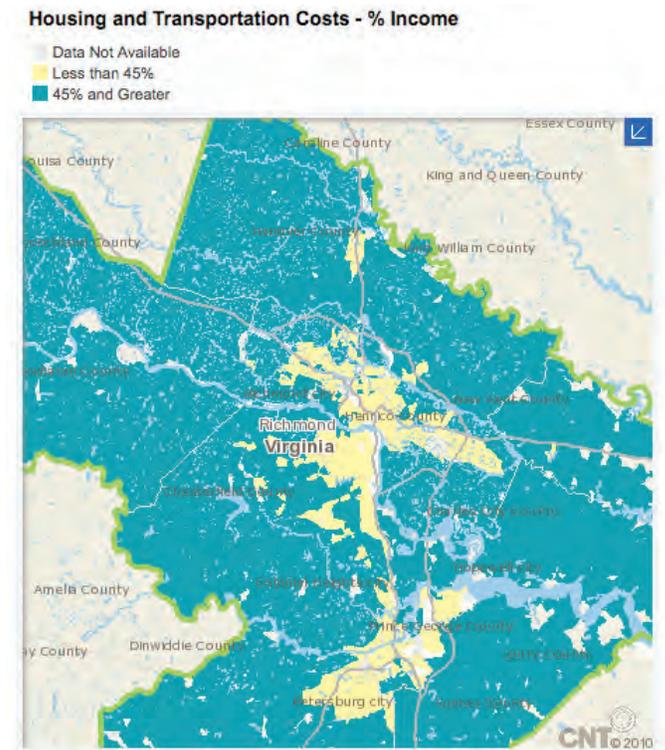
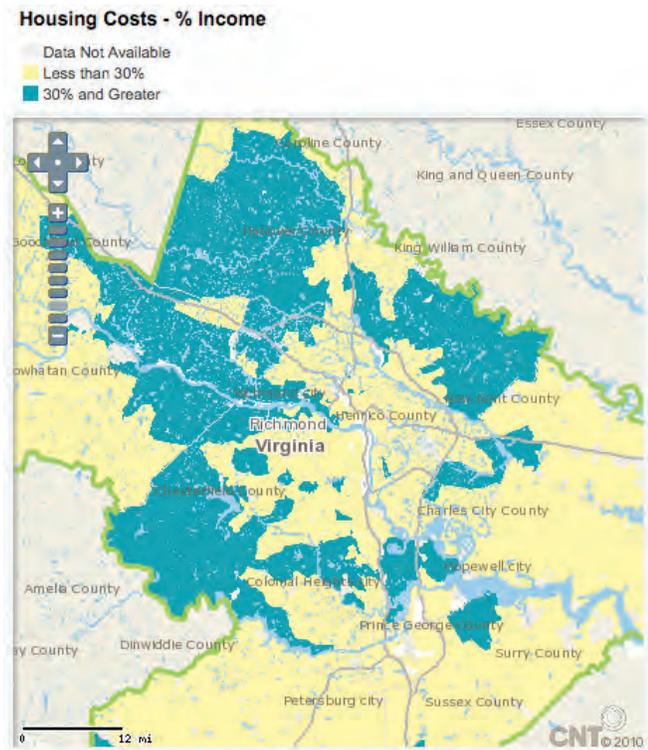


Residents in sprawling areas also typically have no choice but to drive to get necessary goods and services due to the distances between destinations and the lack of transportation alternatives.

People in Virginia drove over 82 billion miles in 2008.⁷ This is an average of over 225 million miles each day, and the rise in driving has far outpaced population growth in recent decades.

Higher transportation costs are one result of this increased driving. More than 18 cents out of every dollar spent by the average household in the South goes to transportation—almost \$8,500 per household.⁸ This is second only to housing costs, and higher than food and education expenses combined. Transportation costs tend to be highest in areas with more scattered development, since greater distances between home, work, and other activities increase the amount and cost of driving.⁹

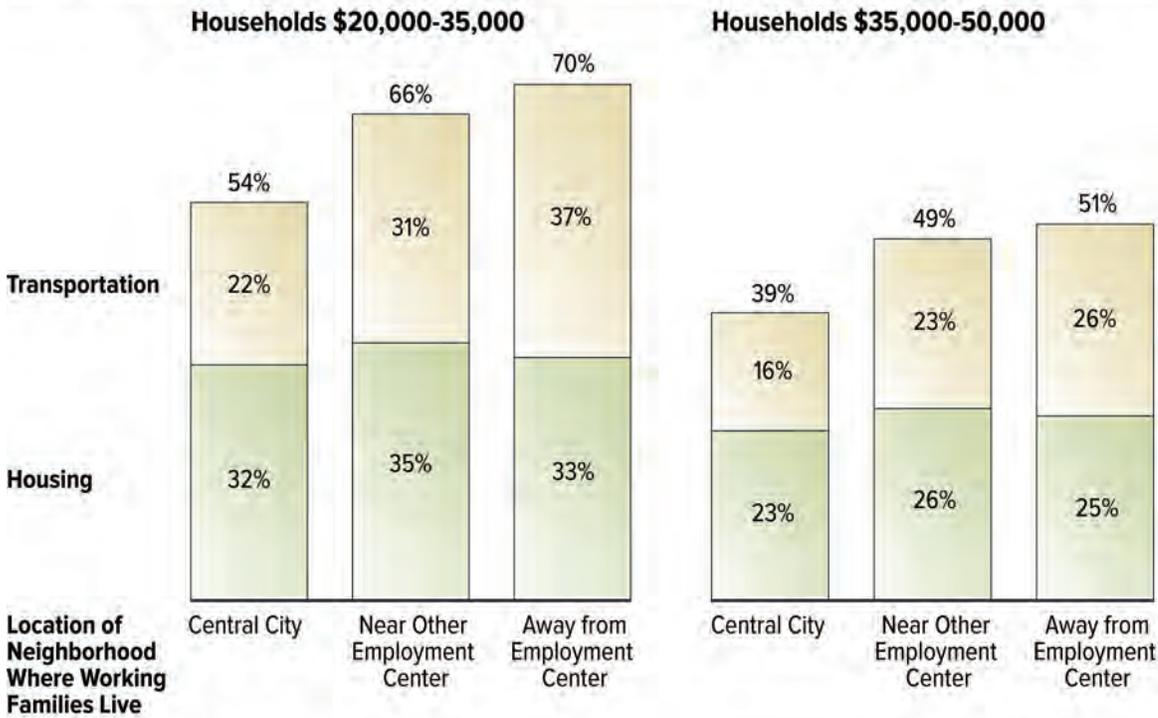
As a result, moving farther out in search of affordable housing often leads to higher transportation costs that eat up any savings on housing, as the maps below illustrate.¹⁰



The affordability of a location can change significantly when transportation as well as housing costs are considered, as this example of the Richmond region illustrates.

Source: Center for Neighborhood Technology

Share of Income Spent on Housing and Transportation



Note: Employment centers are job locations with a minimum of 5,000 employees
 Source: Center for Housing Policy, based on calculations by Center for Neighborhood Technology

This higher cost burden tends to fall most heavily on low income households. Further, the working poor who drive to work pay a much higher percentage of their income on transportation than other commuters do.¹¹

In contrast, households that are in or near the center of a region—particularly those near transit—spend far less of their income on transportation.¹²

The hidden transportation costs arising from housing location are often poorly understood. Such costs, however, highlight the need to consider—and address—transportation costs and patterns in promoting affordability. It may be more useful to concentrate on the broader need for affordable communities rather than just affordable housing.

THE DISCONNECT AMONG JOBS, TRANSPORTATION, AND AFFORDABLE HOUSING

Jobs, transportation, and housing have a significant influence on each other, and this interrelation is critical to understanding and addressing affordability challenges. In practice, however, they often are poorly connected. This disconnect has enormous economic, social, environmental, and health impacts that affect the well-being and quality of life of individuals, families, and communities.

PRICED OUT

Many Virginians cannot afford housing near their work.

For one thing, this can occur as housing prices rise in an area while people in a growing number of occupations do not earn enough to pay these prices. As a result, elements of the workforce that provide necessary services to a community—such as police officers, firefighters, nurses, and teachers—can be priced out of the market.¹³ Communities are harmed when essential employees cannot live in the communities they serve.



Employees in a host of other occupations that define and contribute to the operation of a community—such as people in retail sales, cooks, hairstylists, and home health aides—also may be unable to live in the area where they work. This exclusion can alter the diversity, character, and functioning of a community.

SPRAWL AND THE JOBS/HOUSING BALANCE

The inability to find affordable housing near work also can stem from the fact that both housing and jobs have become more decentralized throughout much of Virginia. Although there are recent signs of change, for decades there has been a shift to more scattered, low-density development—moving away from a pattern of relatively compact cities and towns that contained a variety of neighborhoods with residences and businesses in fairly close proximity. As a result, many businesses are not located close to any housing—affordable or otherwise—a phenomenon sometimes referred to as “jobs sprawl.”

The more pronounced trend, however, has been the greater dispersion of housing. Virginia’s farmland, natural areas, and open spaces have been rapidly disappearing, giving way to far-flung residential development as land

PRICED OUT?

Income Needed to Afford 2-Bedroom Rental \$32,440

| Occupation | Income |
|--|----------|
| Preschool Teachers, Except Special Education | \$27,300 |
| Teacher Assistants | \$23,180 |
| Pharmacy Technicians | \$27,350 |
| Home Health Aides | \$20,160 |
| Hairdressers, Hairstylists, and Cosmetologists | \$29,460 |
| Child Care Workers | \$19,270 |
| Retail Salespersons | \$24,470 |
| Tellers | \$24,240 |

Source: Virginia LISC (citing HUD Fair Market Rate averaged for Virginia, income limits for Virginia)

development accelerated much faster than population growth. According to the U.S. Department of Agriculture, over three-quarters of a million acres were developed in just 15 years in Virginia.¹⁴

In short, the dominant trend in recent decades toward scattered development with home and work segregated in different areas has created an imbalance between jobs and housing—a problem exacerbated by the frequent lack of transit connections between residential areas and employment centers.

ACCESS TO JOBS

The mismatch between jobs and housing can make it difficult for low income households and other people who do not own a car or cannot drive to get to work or to reach potential jobs. This problem is particularly severe in areas without adequate transit or other transportation alternatives.

All too often jobs are not accessible without a car. Yet over 7% of Virginia households do not own a vehicle, and in a number of both urban and rural areas that number is over 10% and sometimes over 20%.¹⁵ Further, the percentage of households without a vehicle tends to be much higher in households below the poverty level. Obviously, the ability to reach jobs is critical for financial well-being and directly linked to affordability issues.

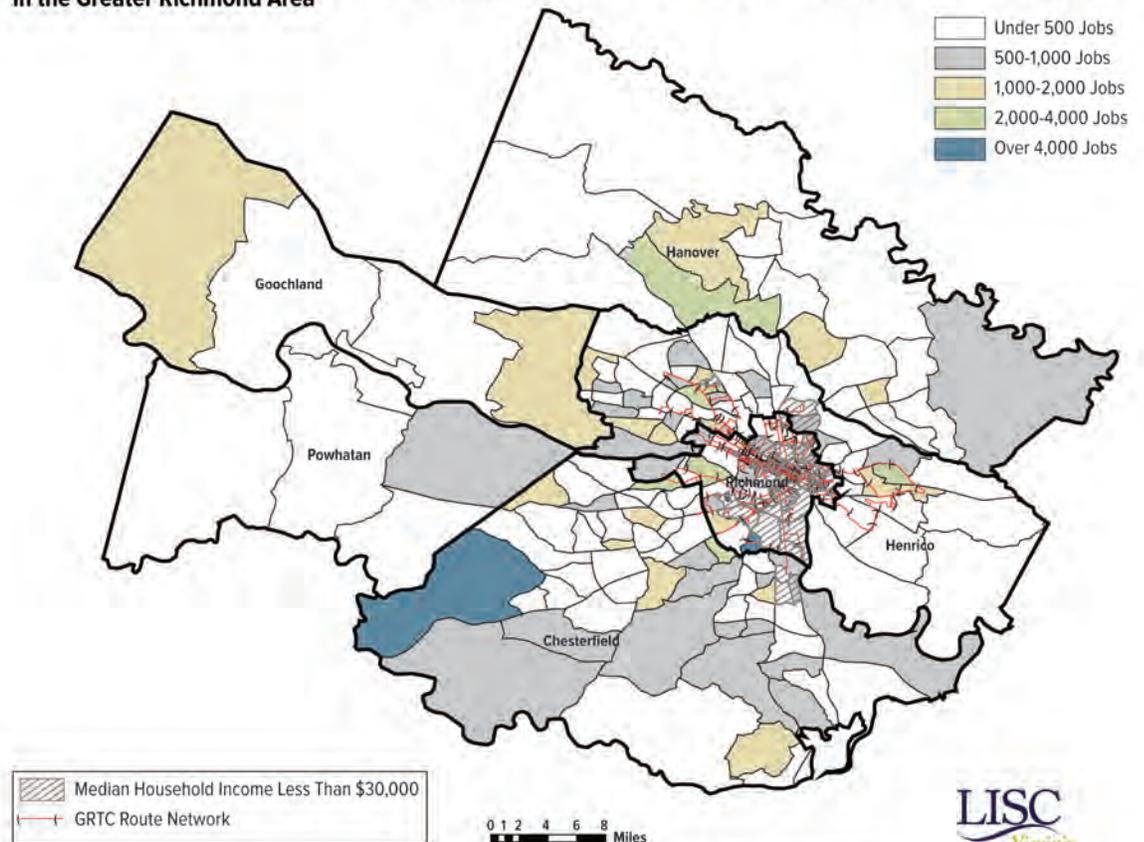
In addition to problems with job access, it can be difficult



for people who cannot drive to reach needed goods and services such as groceries and doctors.

The hurdles to accessing employment and needed services raise serious equity issues, as well as economic issues.

Location of Jobs Paying Less Than \$30,000, Median Household Income below \$30,000, and Transit Routes in the Greater Richmond Area



Virginia Lisc assumes no legal responsibility or liability for, and makes no warranties or representations concerning the accuracy of, any information contained on this map.





ENERGY CONSUMPTION, POLLUTION, AND HEALTH

As we spread out farther and drive more, transportation energy use rises. The total amount of energy used in Virginia for transportation has grown steadily in recent decades, and transportation consumes more energy than any other sector in Virginia. In addition, energy use has been increasing fastest in this sector. Almost 5 billion gallons of motor fuels were consumed in Virginia in 2008.¹⁹ This heavy use of fossil fuels is a major component of the high cost burden of transportation discussed in the previous section. Our fossil fuel use

COMMUTING AND CONGESTION

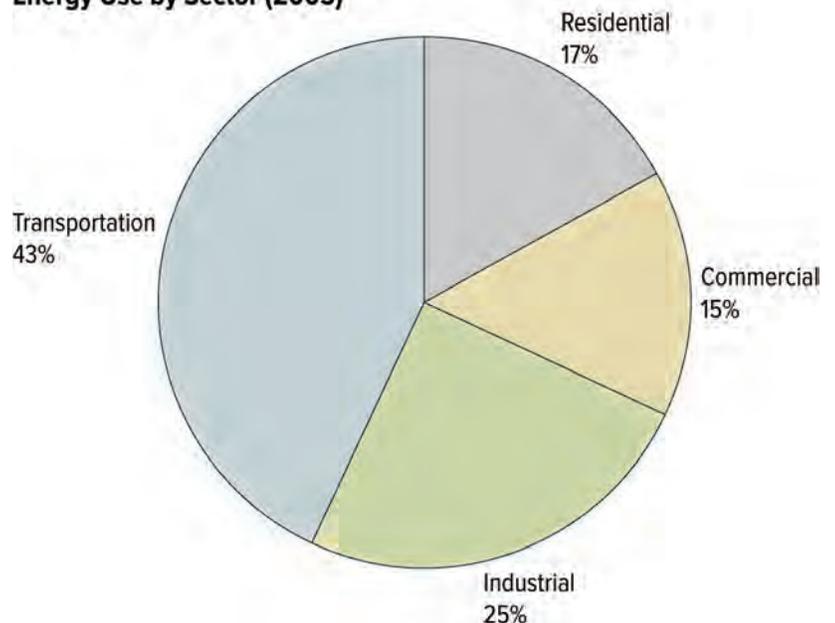
The disconnect between jobs, transportation, and affordable housing tends to result in longer commutes and a higher transportation cost burden—particularly in areas with no meaningful alternatives to driving. The lack of affordable housing near work, for example, leads to longer commutes. The fact that more than half of all workers in Virginia age 16 and over work outside the county in which they live is in part due to this disconnect.¹⁶ This is the highest rate of commuting beyond the county of residence in the United States. Virginia commuters also have an average commute of over 27 minutes—the nation’s seventh longest average commute.¹⁷

Longer commutes and increased overall driving are connected to a host of other problems, such as traffic congestion, pollution, and lower quality of life as a result of more time spent stuck in traffic. Drivers in the Washington area, for example, experienced over 133 million hours of delay in 2007, while drivers in Hampton Roads experienced over 24 million hours of delay, and in Richmond over 10 million.¹⁸ The amount of delay has increased substantially in the past two decades in each of these regions, and in many other parts of Virginia as well.

also increases our dependence on imported oil, takes money out of our economy, and leaves it vulnerable to volatile fuel prices.

Cars and trucks are also a primary source of pollution. Motor vehicles directly produce almost half of the nitrogen oxide, over 70% of the carbon monoxide, and almost 40% of the volatile organic compounds emitted in Virginia.²⁰ These and other pollutants from vehicles contribute to smog, acid rain, and other environmental problems. They also harm our health. Nitrogen oxides,

Energy Use by Sector (2003)



Source: Virginia Department of Mines, Minerals and Energy, *The Virginia Energy Plan (2007)*

for example, are a major contributor to ground level ozone, which can cause pain when inhaling, shortness of breath, and may cause asthma attacks and premature death. Ozone levels in Virginia exceeded federal health standards over 80 times in 2010.²¹ Between 1990 and 2010, there were an average of 112 violations of health standards statewide each year.

ECONOMIC COMPETITIVENESS

Factors such as the availability of affordable housing, traffic congestion, and pollution levels all impact quality of life—which in turn can impact job creation and economic competitiveness. For example, as Jim Dunn, former president and CEO of the Greater Richmond Chamber of Commerce noted, “affordable housing is a business issue and a quality-of-life issue.”²² Among other things, a lack of affordable housing can make it harder to attract and retain a growing number of businesses, jobs, and employees who are making location decisions based on the quality of life and diversity of an area. The same is true for problems such as congestion, pollution, and the lack of transportation choices. A national study found that business leaders “are recognizing that quality of life directly affects economic prosperity, and that sprawl threatens quality of life in many communities.”²³ In our mobile society, if a high quality of life is not available in one area, businesses and employees can simply move. As Sidney Gunst, the founder of the Innsbrook suburban corporate office park in Henrico County recently noted, “Companies want the choice for their employees to live close to their jobs, or they will go somewhere else.”²⁴

These are just some of the major impacts that result from the disconnect among jobs, transportation, and affordable housing. Understanding and addressing this disconnect needs to be a top priority.

RAISING THE STAKES: DEMOGRAPHIC AND ECONOMIC CHANGES

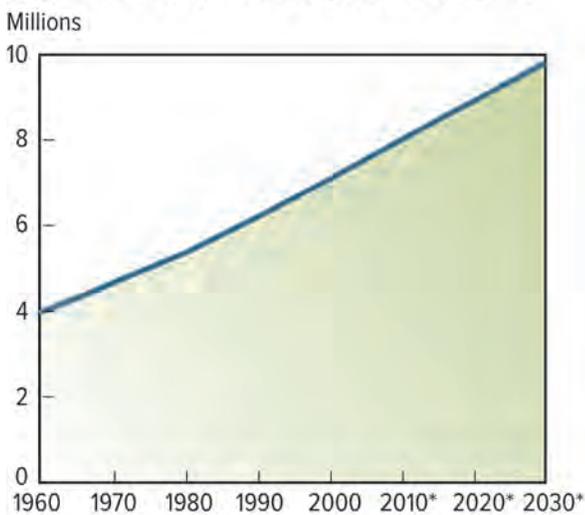
Virginia is being reshaped by major demographic and economic changes. Some of these changes may help to address the disconnect among jobs, transportation, and affordable housing, while others are likely to complicate the prospects for progress.

POPULATION GROWTH AND DISTRIBUTION

Virginia's population grew by an estimated 11.4% between 2000 and 2009, increasing by almost 800,000 to a total of just under 7.9 million people.²⁵ This far outpaced the 9.1% rate of increase nationwide, and it came on the heels of even higher rates of population growth in the 1980s and 1990s.

The distribution of this growth has varied widely.

Virginia State Population Growth (1960-2030)

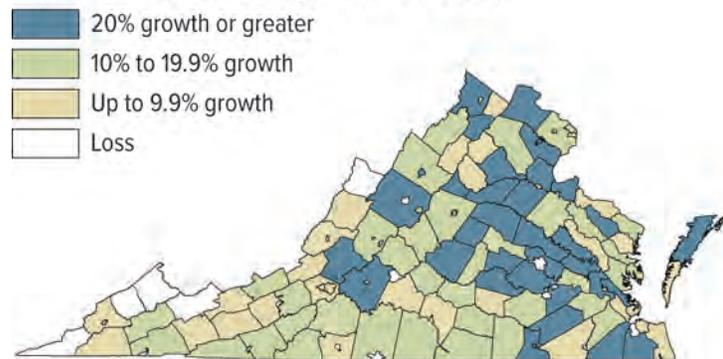


* Projected
Source: U.S. Census Bureau

The bulk of recent population additions have been in Northern Virginia, Hampton Roads, and the Richmond region, and two thirds of Virginia's population now lives in these three areas.

In recent decades the fastest growing localities—at least in percentage terms—have been the outer suburban areas that comprise the next ring of counties around urban areas, such as Loudoun, Spottsylvania,

Population Growth in Virginia (1990-2005)



Sources: U.S. Census Bureau; Virginia Employment Commission

and Stafford Counties. Although population has declined in many older cities, this trend has slowed in a number of areas, and some core cities have gained population recently.

It is estimated that Virginia's population will be almost 2 million higher by 2030—almost the equivalent of adding another Northern Virginia in the next 20 years. This would bring the total number of people to over 9.8 million.²⁶ The greatest population increase is projected to continue to be in Northern Virginia, followed by the Richmond region and Hampton Roads.

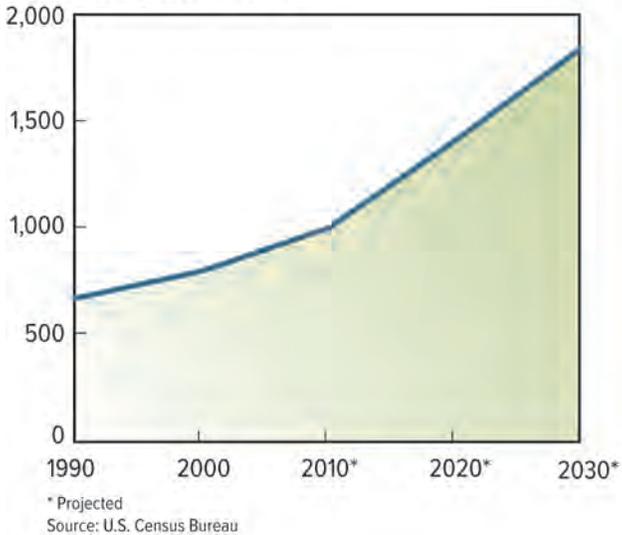
The impacts of this substantial increase in population are likely to include upward pressure on housing prices and greater land development, in turn increasing the need to connect jobs, transportation, and affordable housing.

AN AGING POPULATION

The size of various age groups is shifting as well. Of particular significance, the state's population is aging. The number of residents age 65 and older increased over 19% between 1990 and 2000, and this trend is projected to accelerate.²⁷ The amount of the population in this age group is expected to increase 133% between 2000 and 2030, to over 1.8 million. By 2030, almost one-fifth of Virginia's population is projected to be 65 or older.

Aging Population (1990-2030)

Thousands Age 65 and Older



An aging population will have very different housing and transportation needs. For one thing, this trend appears to be boosting demand for more compact development, as people look for smaller homes and yards to maintain as they age. Older Virginians also are much less likely to have a car than the general population, increasing demand for transportation options that offer mobility to people who are no longer able to drive and for mixed use communities with home, work, and services in closer proximity.

HOUSEHOLD COMPOSITION AND SIZE

The composition of households is also changing. Although the majority of households in Virginia are still families, by 2000 only a little over half of households had married couples. Family structures that do not have a spouse present are increasing much more rapidly. Non-family households increased to about one-third of all households by 2009, and have increased much more rapidly than family households in recent years.²⁸

Average household size has shifted as well, declining in recent decades. In 2009, the average household size in Virginia was estimated to be 2.54 people, down from 2.61 in 1990.²⁹ Over a third of all households have two people in them, and a quarter have only one person.

These and other changes in household composition create demand for a greater range of housing options. In addition, housing costs tend to be a higher cost burden for one-person households, so the rise of such households is likely to increase demand for affordable housing, and smaller household sizes will generate demand for a higher number of housing units.



EMPLOYMENT AND INCOME

The unemployment rate in Virginia has consistently been below the national rate for years. The August 2010 rate was estimated to be 6.9% while the national rate was 9.6%.³⁰ The jobs picture, however, varies widely. Although the state unemployment rate was 6.9% in August 2010, the rate in the Northern Virginia/DC area was only 5.1%, while in the Danville and Bristol/Kingsport metro areas it was over 10%.

Incomes have continued to rise overall, despite the recent downturn. The median household income statewide of \$61,210 in 2008 was well above the national average of \$52,029.³¹ Although median income increased in each region of the Commonwealth in recent decades, Northern Virginia, Hampton Roads, and Richmond have had the highest rate of income growth.³² The amount of median household income varies widely between and within regions, and over 10% of Virginians live below the poverty level.

These and other economic factors, such as the concentration of poverty within metropolitan areas, have enormous impacts on transportation, development patterns, housing demand, and affordability.

MAKING THE CONNECTIONS

We can reconnect jobs, transportation, and affordable housing. Despite the magnitude of this challenge, there are many potential policies that could help provide housing and transportation choices for households of all income levels, sizes, and needs.

OPPORTUNITIES FOR CHANGE

While the current disconnect has been partly driven by market forces, significant population growth, and other factors, government funding, policies, and decisions have played a lead role. For example, local planning and zoning policies that require large lots and minimum house sizes can raise housing costs. Zoning ordinances often limit or prohibit some of the most affordable forms of housing, such as multi-family units, townhouses, and accessory dwelling units like a garage or basement apartment.

In addition, land use policies that require the geographic separation of commercial and residential uses make it almost impossible to build housing near areas where job growth is occurring, and increase transportation costs while effectively requiring scattered development. Other regulations, such as building code and parking requirements, frequently make it more costly and difficult to redevelop existing structures. Furthermore, state, regional, and local decisions about where and how to invest taxpayer funds for transportation have subsidized sprawl and offered few realistic alternatives to driving. They have given the lion's share of funding to road projects that encourage dispersed development while slighting other travel modes.

RECONNECTING OUR COMMUNITIES

A range of potential regulatory changes, public investments, and incentives can address the shortcomings of current policies, build upon positive policies, and promote a better approach to how and where we grow.

This new approach would promote development that includes the following key elements:

- Mixed use (including mixture of residential and commercial uses where appropriate);
- Mixed income (offering a variety of housing styles, sizes, and prices);
- Walkable, compact development;
- Greater energy efficiency;



Potential transformation of Marshall Street in Richmond illustrates some of the changes that can reconnect jobs, transportation, and housing.

BENEFITS OF SUSTAINABLE, INCLUSIVE DEVELOPMENT

Policies promoting an alternative approach to development can attract broad support since—if properly crafted—they offer multiple economic, health, social, environmental, and other benefits,³³ including:

- More affordable housing
- Lower costs to taxpayers to provide services to development
- Better access to jobs
- Less congestion, saving businesses and people money
- Shorter commutes, saving people time and money
- Less driving and more efficient buildings reduce vulnerability to volatile energy prices
- Cleaner air and water
- Improved health
- Enhanced economic competitiveness and job growth
- Better employee recruitment and retention
- A higher quality of life

- More housing near jobs;
- A greater range of transportation choices; and
- An emphasis on redeveloping and revitalizing existing communities.

An increasing number of localities and developers have recognized the benefits of such an alternative approach and are exploring or pursuing policies and projects that incorporate at least some of these elements. Much more needs to be done, however, as many existing policies need to be overhauled and destructive proposals continue to move forward.

Steps to reconnect our communities are particularly effective when combined, and they typically are complementary. For example, many of the steps to promote more compact, walkable development also can improve housing affordability and support a greater range of transportation options.

Promising, practical solutions and strategies to connect jobs, transportation, and affordable housing include the following steps:

1. Promote More Compact, Walkable Development.

There are many steps most localities could take to reduce regulatory barriers to building more compact, walkable development with a mixture of styles, sizes, and prices.

These steps include amending zoning provisions to reduce or eliminate minimum lot and house size, setback, and parking requirements. In addition, incentives could be provided for such development, including loans, technical assistance, and expedited permit approvals.



2. Foster Living Near Work. Mixed use development can be promoted by amending local ordinances to reduce or eliminate separation of residential and commercial uses and to permit mixed use developments, multistory retail and commercial buildings, live-work units, and additional density where appropriate. In addition, the state and localities could provide tax credits or grants to employees who purchase homes near their place of employment.

3. Encourage Renovation, Redevelopment, Infill. Renovating existing buildings, redeveloping declining or abandoned commercial areas, and infill development are keys to community revitalization and more sustainable, inclusive development. Strategies to promote these projects include offering incentives (such as expedited approval processes, loans, rehabilitation tax credits, and tax incentives), revising zoning mandates that present a barrier to desirable projects, and directing a greater share of state and local infrastructure spending to existing communities (such as investing more funds in fixing and improving existing roads and schools).

4. Guide Growth to Targeted Areas. Many localities have sought to steer development to designated areas, and state law now requires fast-growing localities to establish specific urban development areas. Additional steps are needed in most places, however, to provide incentives to guide growth to these areas, to



encourage or require more compact projects within designated areas, to limit development outside specified areas, and to ensure that there is more mixed income development within these areas. In addition, the state and localities could give priority to designated growth areas (as well as existing communities, as noted above) in making transportation and other funding investments.

5. Promote Transit-Oriented Development. Providing incentives such as increased density, faster permitting, and technical assistance for projects within walking distance of transit stops can help to guide a larger share of growth to areas with greater transportation choices. The state and localities can also target transportation funding and planning resources



In addition, transportation design and decisions often focus primarily on moving as many cars as possible from one point to another, ignoring or discounting the impacts to the surrounding areas and to other modes of travel. Communities can be strengthened and housing and transportation choices expanded by designing for people rather than cars. Among other things, this entails using a flexible, context-sensitive approach to road design, as well as incorporating measures to improve conditions for pedestrians and bicyclists.

to encourage transit-oriented development and to increase transit service.

6. Encourage Green Building.

Green buildings incorporate a number of steps that make new and existing buildings healthier, more comfortable, and more energy and resource efficient. This is particularly important for individual and family budgets since low income households typically spend more than 14% of their income on energy, compared to only 3.3% for the average American household.³⁴ Potential policies to promote green buildings include technical assistance programs, grants and loans, tax incentives, and requiring public buildings to meet certain high-performance standards.

7. Provide Greater Transportation Options. Billions of taxpayer dollars are spent on transportation each year at the state and local level in Virginia. More funds could be invested in alternatives to driving that improve connections within localities, within regions, and between regions, including greater funding for pedestrian and bicycle infrastructure and for bus, light rail, and intercity rail service.



These images of the potential transformation of Hydraulic Road in Charlottesville show some of the opportunities available for better connecting our communities and providing greater transportation choices.

8. Advance Housing Affordability.

If properly designed, each of the steps noted above can promote affordable housing. Many additional steps are available. Zoning limits on multi-family units, townhomes, and accessory dwelling units can be reduced. Incentives can be provided for such development, for building smaller housing units, or for adding affordable units to a development (including density bonuses under local affordable dwelling unit programs authorized by state law).³⁵

Funding also could be increased at all levels of government for programs and partnerships that have



proven to be successful (such as assistance with payments for rent and down payments on home purchases, as well as financing assistance for affordable housing construction), and state, regional, and local affordable housing trust funds could be created. Further, additional state transportation funds could be provided to localities adopting certain land use policies or other measures that promote affordable communities.

These are just some of the significant opportunities for policy changes that can reconnect jobs, transportation, and affordable housing.³⁶ A range of state and local policy changes are needed, and solutions will have to be adapted to address the needs and resources of specific localities.

We must capitalize on the opportunities to provide affordable, quality housing that is more sustainable, connected to jobs and transportation, and offers attractive places to live, work, and play.

ENDNOTES

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⁵ Virginia Local Initiatives Support Corporation, *A Picture of Housing in Virginia*, p. 48 (2010) (www.virginialisc.org).

⁶ Housing Virginia, note 2.

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¹² See, Reconnecting America's Center for Transit-Oriented Development, *Realizing the Potential: Expanding Housing Opportunities Near Transit* (April 2007); Center for Neighborhood Technology and Surface Transportation Policy Project, note 9.

¹³ See Trip Pollard and Frances Stanley, *Connections and Choices: Affordable Housing and Smarter Growth in the Greater Richmond Area* (2007).

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¹⁶ U.S. Census Bureau, *2009 American Community Survey*.

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²² Carol Hazard, "Affordable Housing on Radar Screens," *Richmond Times-Dispatch* (May 22, 2008).

²³ National Association of Local Government Environmental Professionals, *Profiles of Business Leadership on Smart Growth* (1999).

²⁴ Quoted in Trip Pollard, *Smart Growth is Smart Economics: Sustainable Development in the Greater Richmond Region*, p. 9 (2010) (www.Southern-Environment.org).

²⁵ U.S. Census Bureau, *The 2010 Statistical Abstract*, Section 1, Table 12 (<http://www.census.gov/compendia/statab/cats/population.html>).

²⁶ *Ibid.*

²⁷ Data in this paragraph are from the Virginia Employment Commission (http://www.vec.virginia.gov/pdf/Pop_projs.pdf) (revised 2003).

²⁸ Virginia LISC, note 5, p. 33, citing ESRI Business Analyst.

²⁹ U.S. Census Bureau.

³⁰ Data in this paragraph is from the Virginia Employment Commission, LMI Tools, Unemployment.

³¹ U.S. Census Bureau, "State and County QuickFacts."

³² Virginia LISC, note 5, p. 24.

³³ See Pollard, note 24 and Trip Pollard *Sustainable Communities: Building for the Future of the Greater Richmond Region* (2010) for further discussion of some of these benefits.

³⁴ U.S. Department of Energy, Energy Efficiency and Renewable Energy, "Weatherization and Intergovernmental Program" (June 2010) (http://www1.eere.energy.gov/library/pdfs/48098_weatherization_assisprog_fsr4.pdf).

³⁵ See Virginia Code §§ 15.2-735.1, 15.2-2304, and 15.2-2305.

³⁶ These are just some of the available policy measures, and there are many strategies for advancing policy measures as well as actions in addition to policy changes that can promote affordable housing. See, for example, Housing Virginia, *Tool Kit* (March 2004), Washington Area Housing Partnership, *Toolkit for Affordable Housing Development* (2005), *Transportation and Housing Alliance Toolkit* (2009).

