

# The Chesapeake Alliance Housing Task Team

## RECOMMENDATIONS

“In all parts of Chesapeake, the City will foster the development and maintenance of a diverse, safe and quality housing stock that is accessible and affordable to all people who live or work in the City.”







# WHY A HOUSING TASK TEAM?

Housing = Workforce

Housing drives economic growth

Housing solutions are local

Chesapeake is falling behind



# OUR RECOMMENDATIONS

1. **Align** economic development, education and housing **policies**
2. **Increase multifamily zoning** in urban and suburban overlay districts
3. Provide **density/affordability bonuses**
4. **Support LIHTC** projects
5. Dedicate **local funding** for affordability
6. **Track progress** toward the housing plan with a community dashboard





# WHAT IS AFFORDABLE HOUSING?

Housing is affordable when a household spends less than 30% of its income on housing

*The Alliance's Focus:*

**Households making less than 80% of Area Median Income (up to \$74K/yr)**

# WHY AFFORDABILITY MATTERS

**12,357** rent-burdened households in 2022  
(US Census Survey)

Critical workers cannot afford to live in Chesapeake

## In Chesapeake

	Salary	Affordable Monthly Rent (30%)	Available for rent
<b>Dollar Tree Warehouse</b>	\$16/hr	\$832	0
<b>Retail Sales Assoc.</b>	\$17/hr	\$884	1
<b>Home Health Worker</b>	\$18/hr	\$936	2
<b>New School Teacher</b>	\$51,500	\$1,287	13
<b>80% AMI Household of 4</b>	\$74,162	\$1,854	51

Active Indeed and Zillow listings on 1/4/24





# WHAT'S FOR RENT IN CHESAPEAKE?

**125** total units listed  
for rent last week

Virginia Beach: **521**

Norfolk: **527**

Zillow listings as of 1/4/24



# COMMUTING SURVEY

## ALLIANCE SURVEY (2023)

- 3,578 Employees (\*)
- **44% live & work in Chesapeake**
- 56% commute

## VIRGINIA BEACH (2013)

- 197,320 Employees
- **73% live & work in VB**
- 27% commute

\*2,210 from Chesapeake Regional Healthcare

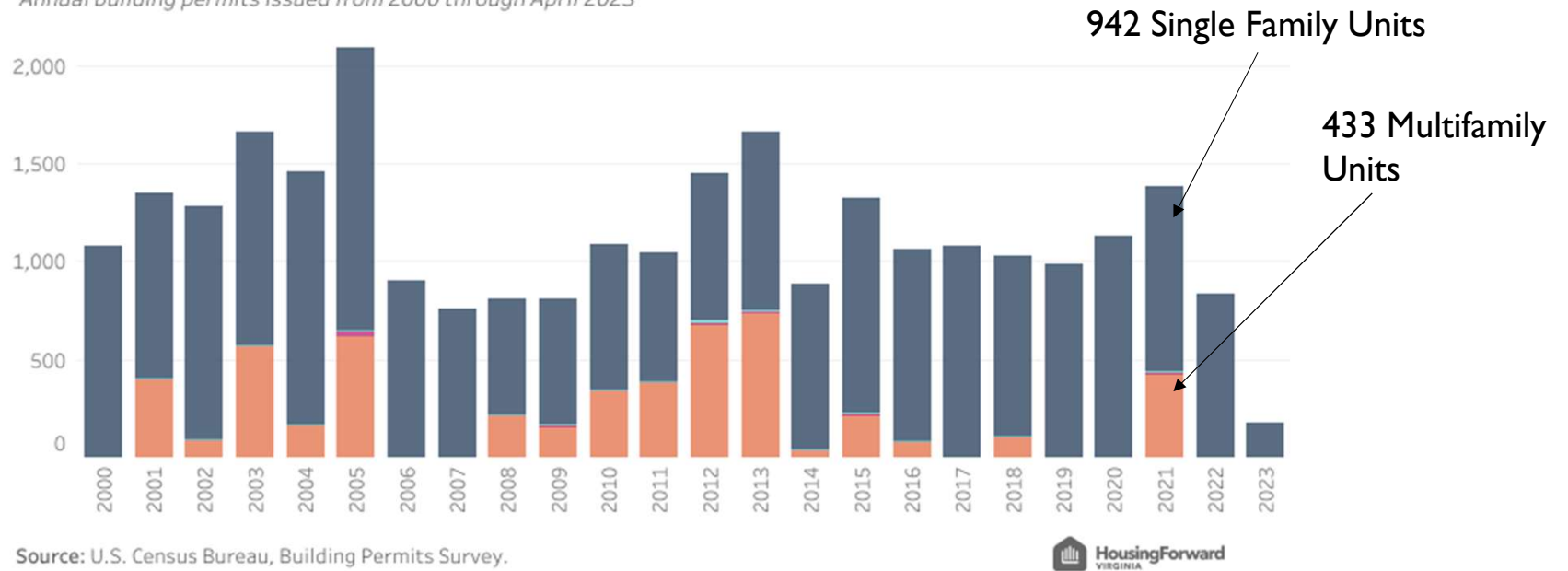


## Annual building permits by structure type

Select structure type(s):  
All

Select locality:  
Chesapeake City

Annual building permits issued from 2000 through April 2023



Source: U.S. Census Bureau, Building Permits Survey.



Blue = Single Family

Orange = 5+ Units Multi-family

# HOW DID WE GET HERE?

# POPULATION GROWTH

The Weldon Cooper Center projects  
a total Chesapeake population of  
272,670 in by 2030

↑ 8,067 households from 2020



*Additional units are the only way to begin to address affordability*



## OUR ASK

**15,000**

New housing units over ten years

**35%**

Affordable (5,250)



# WHY 15,000 NEW UNITS?

8,067	new households by 2030
12,357	Chesapeake households living in “unaffordable” housing in 2021
<b>20,424</b>	<b>total</b>

*Chesapeake needs more housing of ALL kinds*



# TO IMPACT AFFORDABILITY, WE MUST GROW MULTIFAMILY HOUSING

<b>Multifamily Building Permits (% of total units)</b>		
	<b>2022</b>	<b>5 Year Avg.</b>
<b>Chesapeake</b>	0%	10%
<b>Virginia Beach</b>	81%	52%
<b>Virginia</b>	46%	35%

Includes both market rate and affordable multifamily units

Chesapeake's housing supply is skewed heavily to single-family detached housing

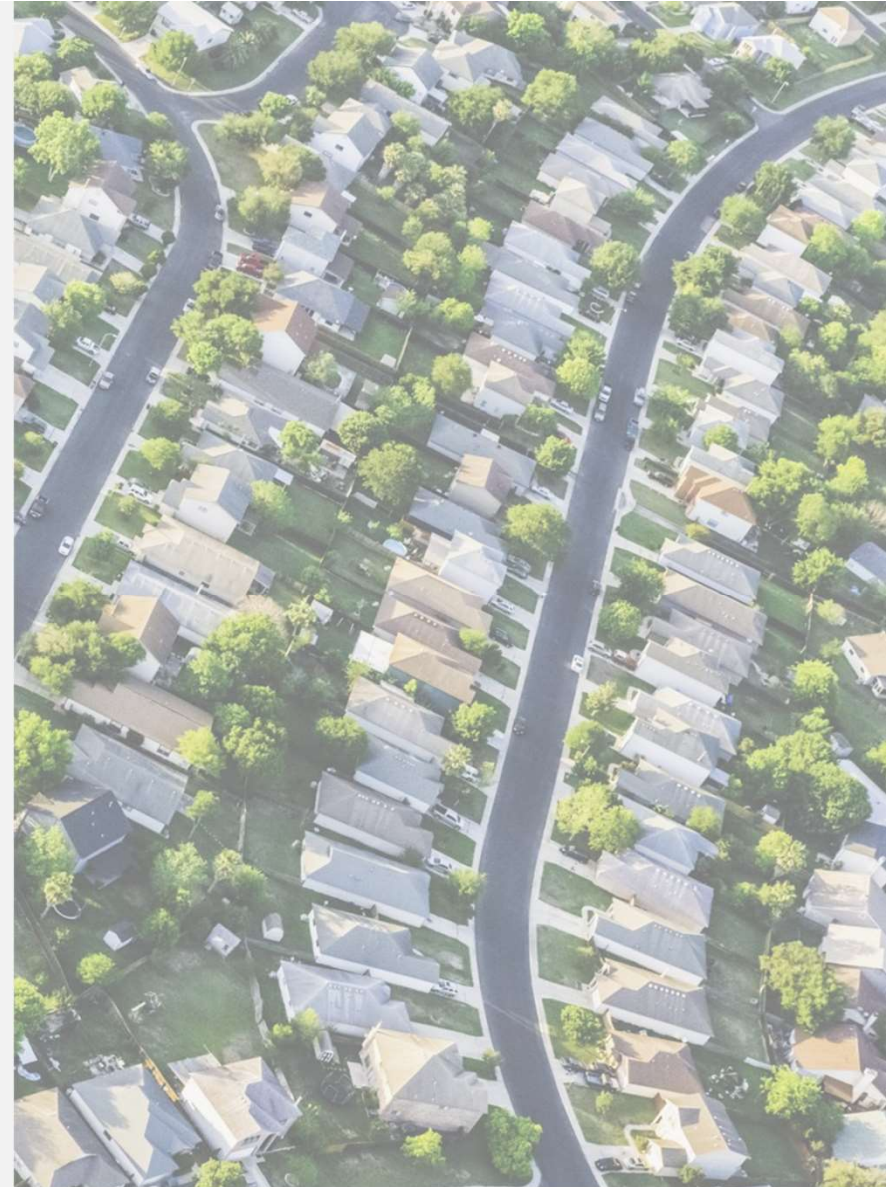
<b>Existing Housing Stock (% of total)</b>			
	Single Family Detached	2-4 Units	5+ Units
<b>Chesapeake</b>	<b>70%</b>	<b>16%</b>	<b>14%</b>
Virginia Beach	53.5%	24.5%	22%
Virginia	63%	15%	22%

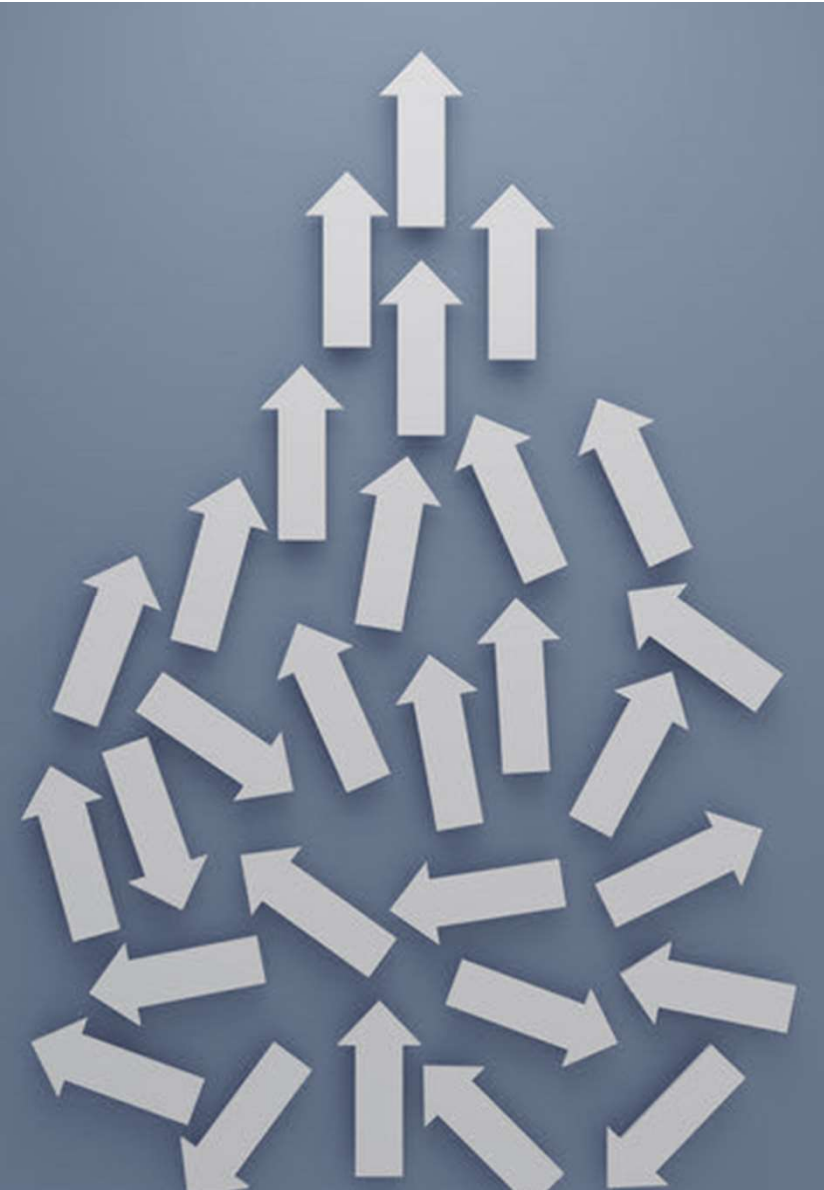
ACS Survey 2021 – 1 Year



# HOW CHESAPEAKE CAN MAKE IT HAPPEN

1. **Align** economic development, education and housing policies
2. **Increase multifamily zoning** in urban and suburban overlay districts
3. Provide **density/affordability bonuses**
4. Support **LIHTC** projects
5. Dedicate **funding** for affordability
6. Track progress toward the housing plan with **community dashboard**





# ALIGN ECONOMIC DEVELOPMENT, EDUCATION & HOUSING POLICIES

- Support policies and processes that support the Comprehensive Plan by right
- Remove Levels of Service as a barrier to affordable housing
- Clarify the economic model used to evaluate residential development
- Align new housing with economic development of commercial sites
- Apply “Smart Growth” principles to guide development

# INCREASE MULTIFAMILY ZONING IN URBAN & SUBURBAN OVERLAY DISTRICTS

- Most multifamily projects require rezoning increasing costs and uncertainty
- Align zoning ordinances with the Comprehensive Plan where it calls out suburban and urban districts for increased density preserving green space





# DENSITY AND AFFORDABILITY BONUSES



For new communities of 50 or more units require:

- 10% of total units affordable for tenants <60% AMI or
- 20% of total units affordable for tenants <80% AMI

Provide a combination of density bonuses, administrative fast-tracking, parking relief or targeted financial support to promote affordability.



# DENSITY AND AFFORDABILITY BONUSES

Advocate for Chesapeake and all municipalities to have flexible zoning authority as defined in 15.2-2304 of the State Code.

- Today zoning flexibility is only for NoVA and Albemarle County. All other municipalities are governed by the more restrictive 15.2-2305.



# SUPPORT LIHTC PROJECTS

## The Low-Income Housing Tax Credit Program (LIHTC)

- Largest federally funded affordable housing program
- Highly competitive process
- Aligns with comprehensive plan
- LIHTC Developers currently avoid Chesapeake due to lack of multifamily zoning, perceived costs and uncertainty

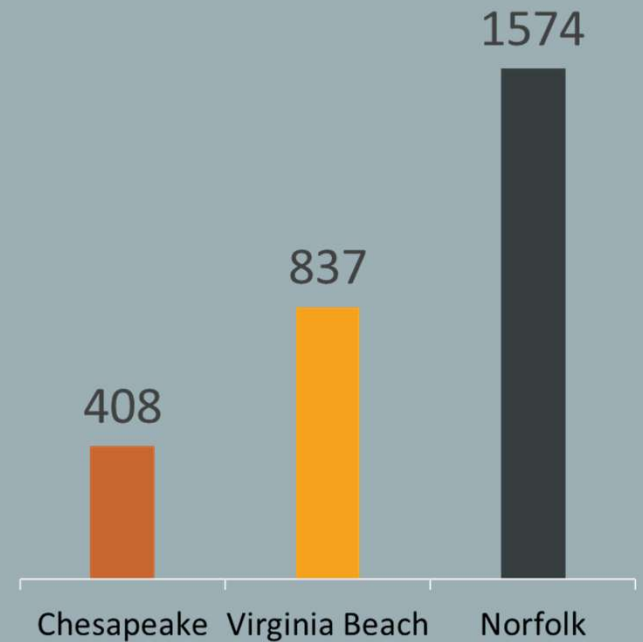


# SUPPORT LIHTC PROJECTS

*What can the city do?*

- Increase multifamily zoning in alignment with comprehensive plan
- Council respond favorably to rezoning requests for LIHTC development
- Identify available sites & solicit LIHTC developers

## New LIHTC Units Put Into Service Since 2014







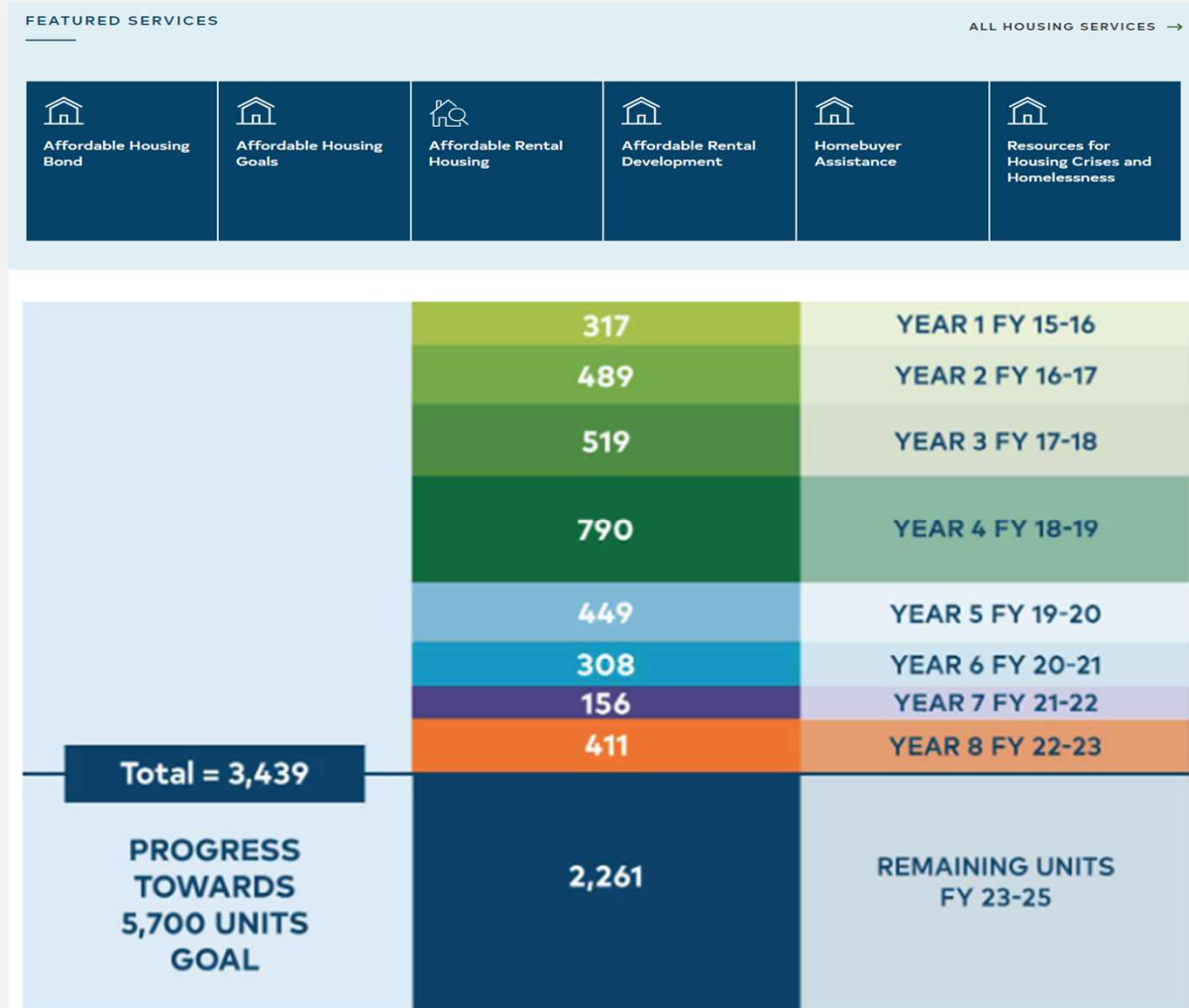
# DEDICATE RESOURCES FOR HOUSING AFFORDABILITY

Evaluate financial incentives to encourage affordability

- Property tax abatements or deferrals
- Bond issuance to kick-start initiatives
- Gap funding for LIHTC projects
- Local Housing Trust Fund to provide flexible funding
- Creative financing for projects that include affordable housing

# DEVELOP DASHBOARD TO TRACK PROGRESS

## Raleigh, NC Dashboard







Motion to approve the recommendations of the

# Housing Task Team

Of the Chesapeake Alliance

