

Hampton Housing Update

City Council & HRHA
Work Session

December 11, 2024

*Prepared by
Hampton Community
Development Department*



Agenda

01 - Housing Data, Trends, & Initiatives

General

Single Family

Multi-Family

Affordability

02 - Potential Project Areas

Community Vision & Outcomes



Values

Policies

Focus Areas

Projects

Programs

Practices

Processes

Affordable Housing Terms

Workforce Housing

Households earning 50-80% of the area median income (AMI) can afford to buy/rent the home and spend <30% of income.

Poverty/Extremely Low Income

Households earning less than 30% AMI

Housing Burden

Housing costs exceed 30% of a household's total income.

Market Rate

Housing units whose rates are set by the market and, typically, intended for those making over 80% AMI to rent.

Mixed Income

Developments that incorporate a mix of both "Workforce" housing and "Market Rate" housing units.



2024 HUD Income Limits

(80% AMI)

Regional Median
Family Income
\$100,700

Family Size	Low-Mod Annual Household Income
1	\$56,400
2	\$64,450
3	\$72,500
4	\$80,550
5	\$87,000
6	\$93,450
7	\$99,800
8+	\$106,350

Housing Data



General
Overview



Single Family



Multi Family

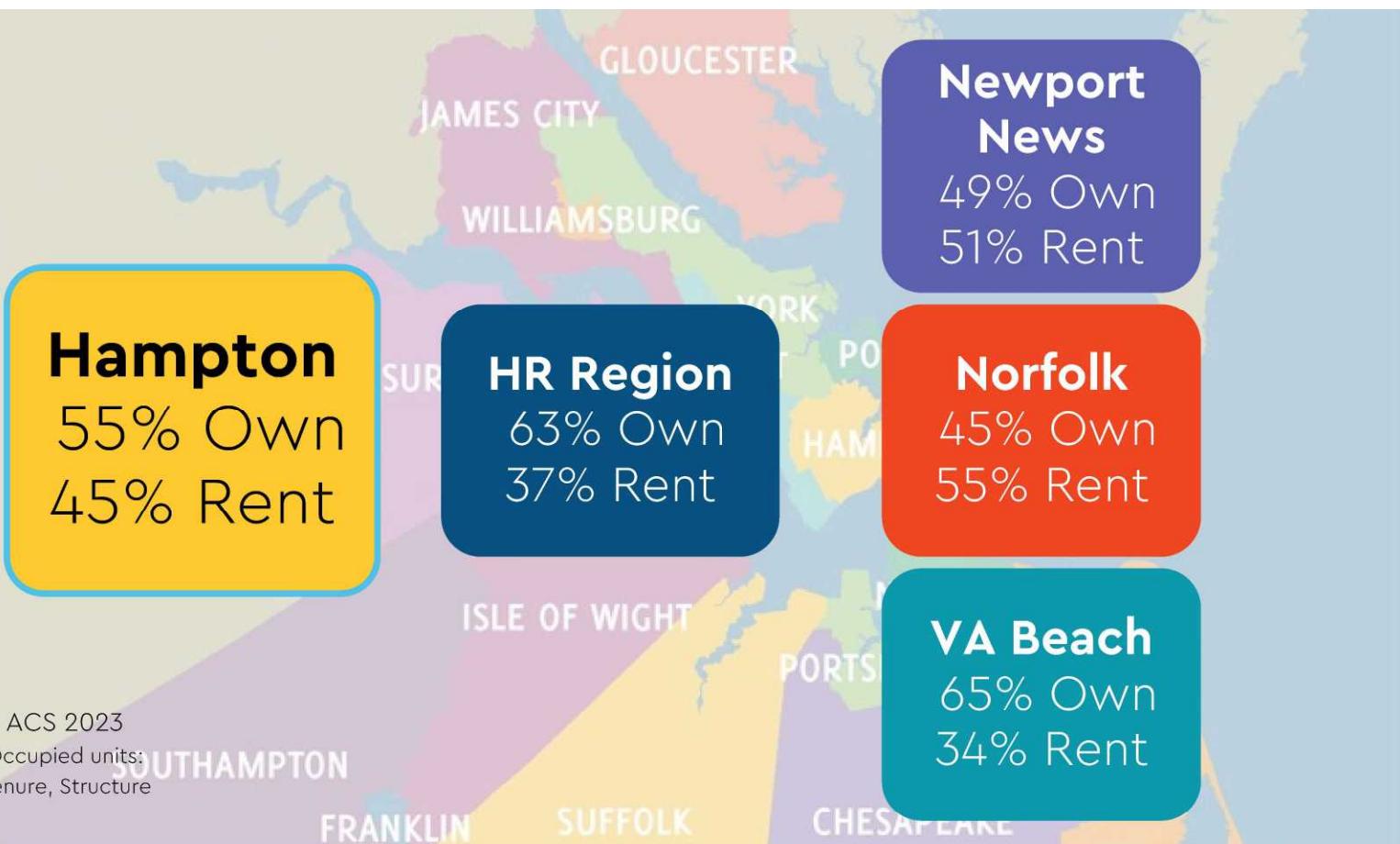


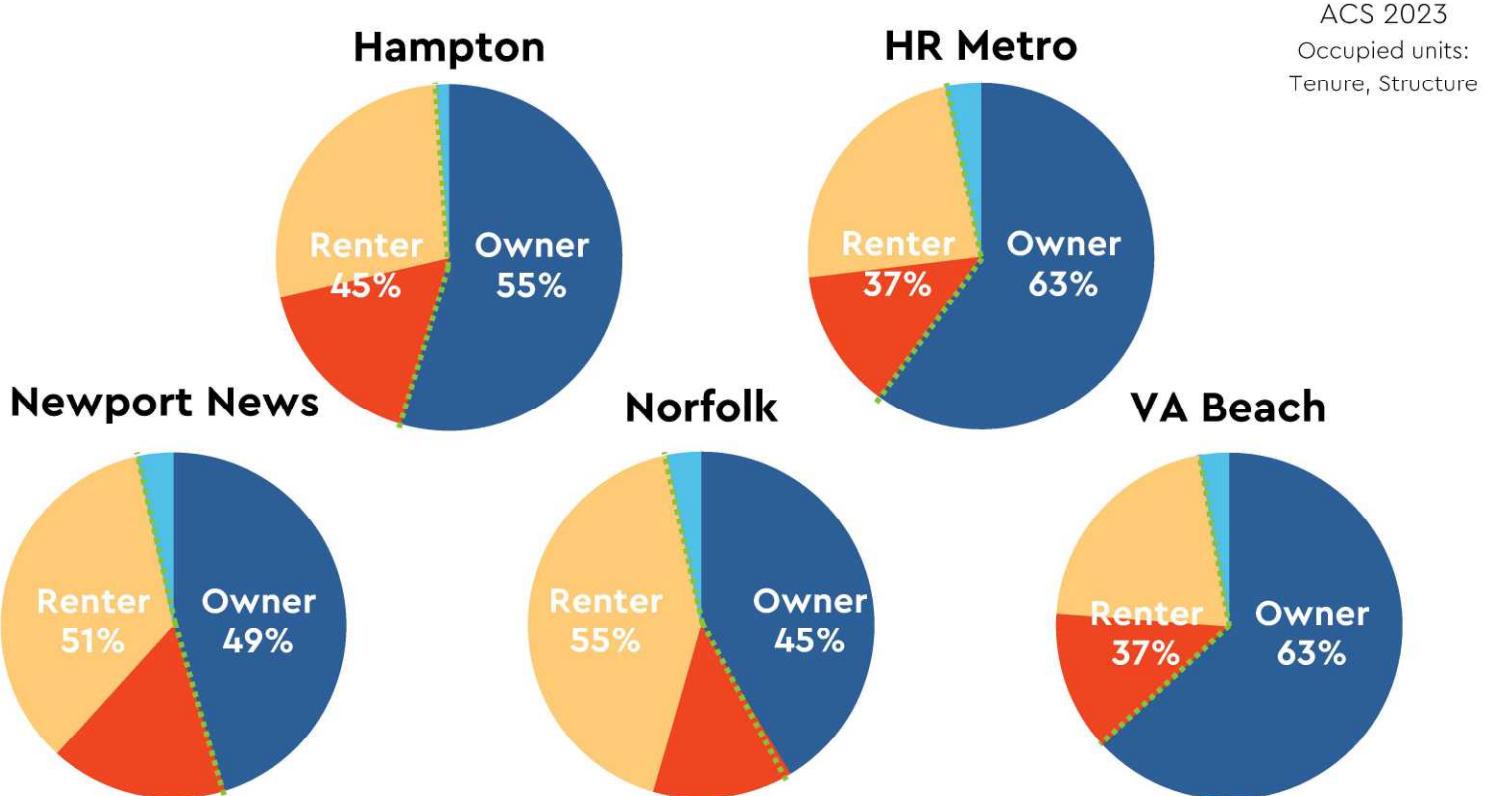
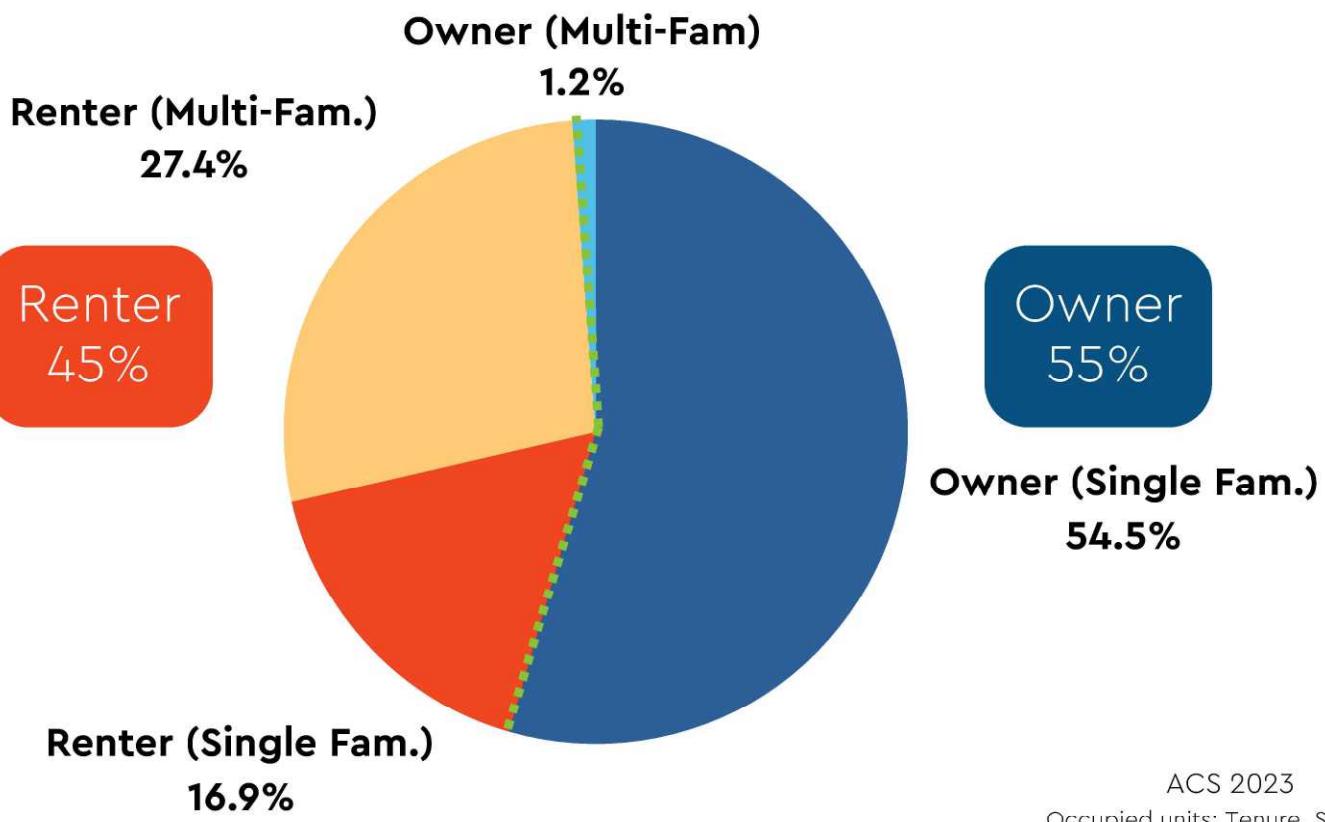
Affordability

Hampton's Home Ownership Ratio

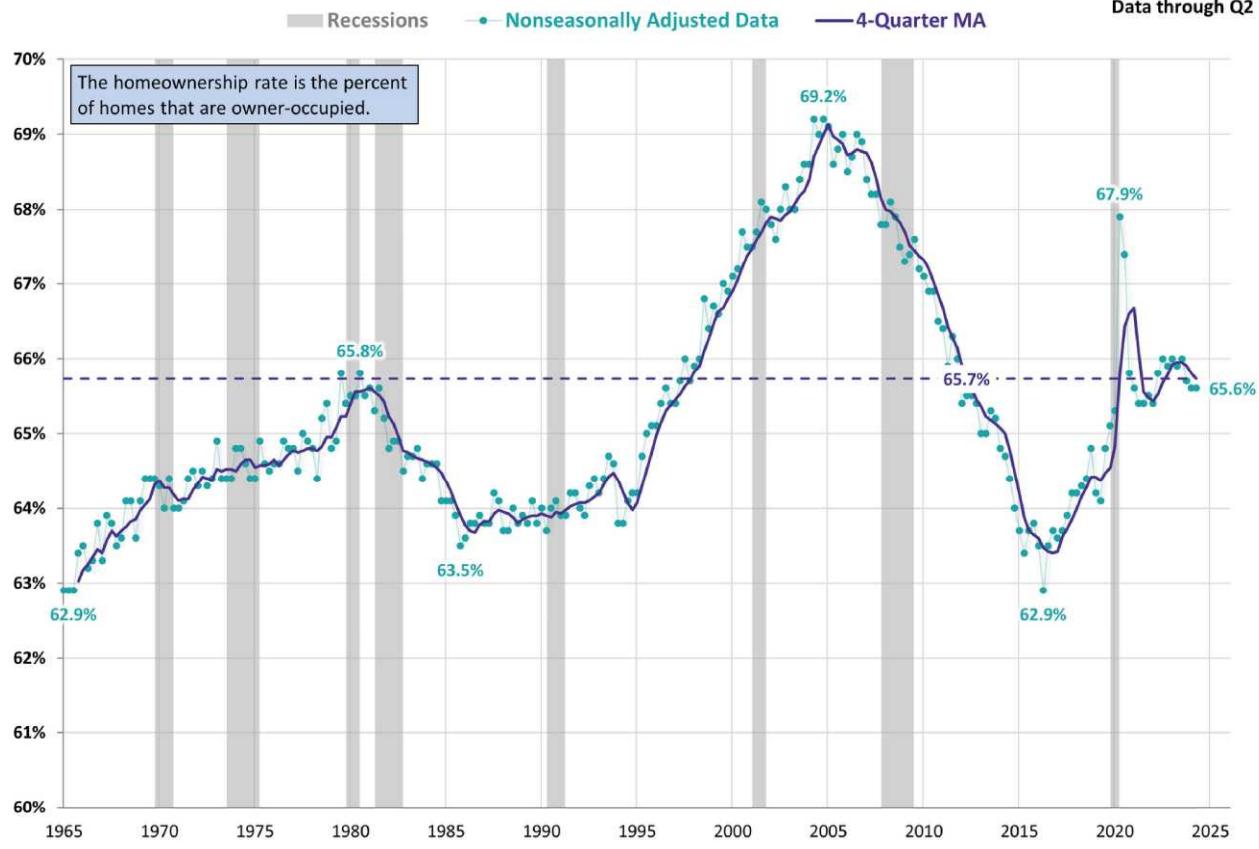
	2006	2017	2023
Ownership	62%	55%	55%
Rental	38%	45%	45%
Occupied Units	54,628	53,267	57,645

ACS 2023



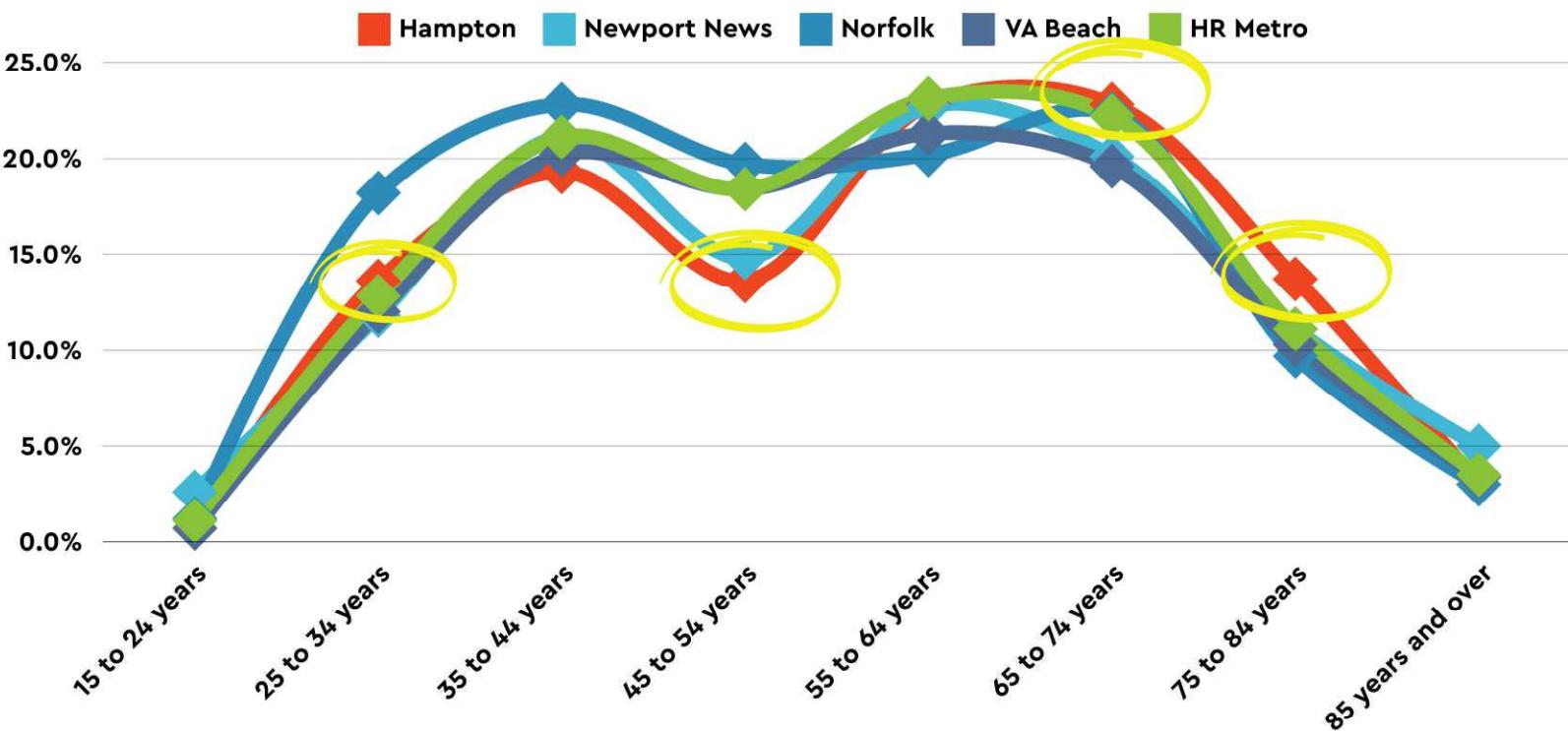


Census Bureau: Homeownership Rate



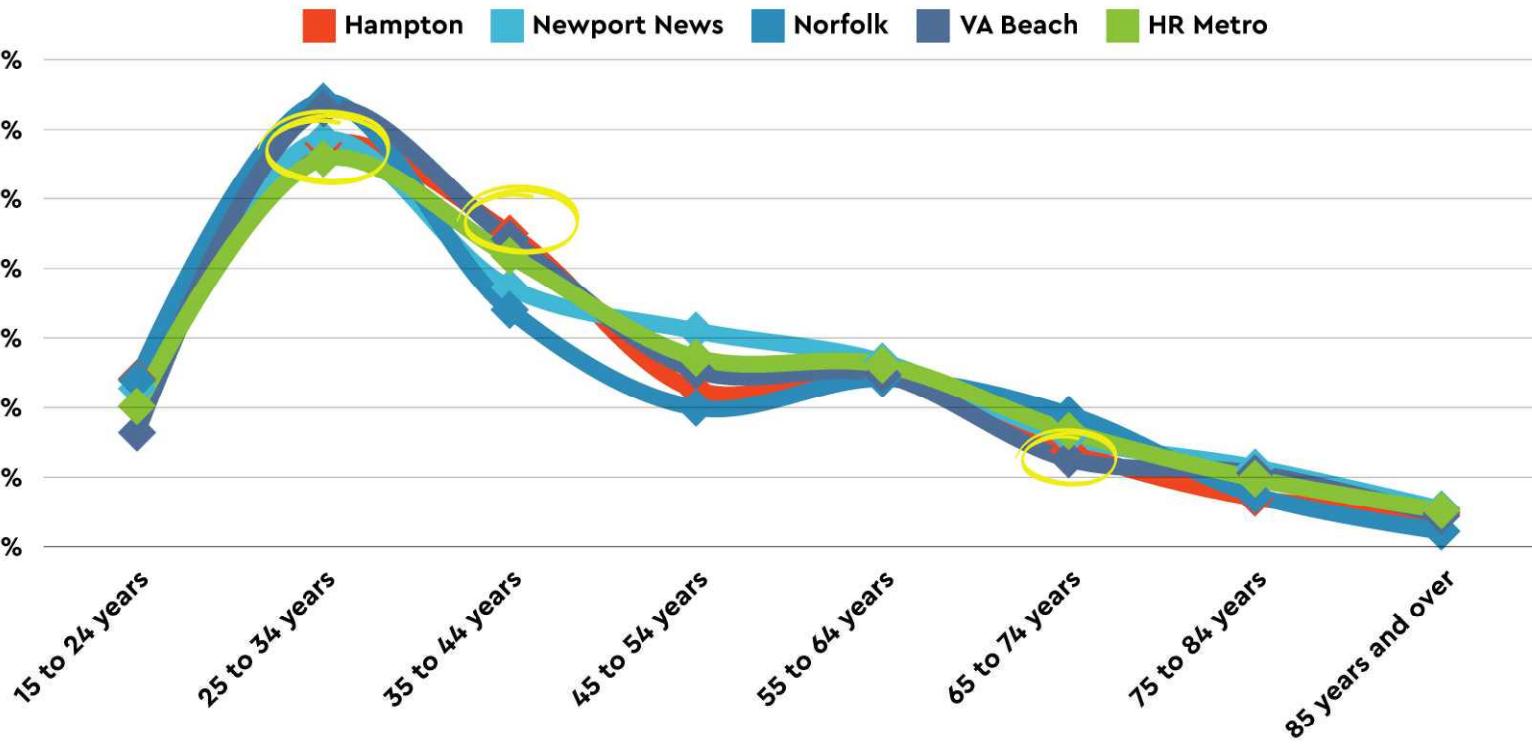
Owner-Occupied Housing & Householder Age

ACS 2023



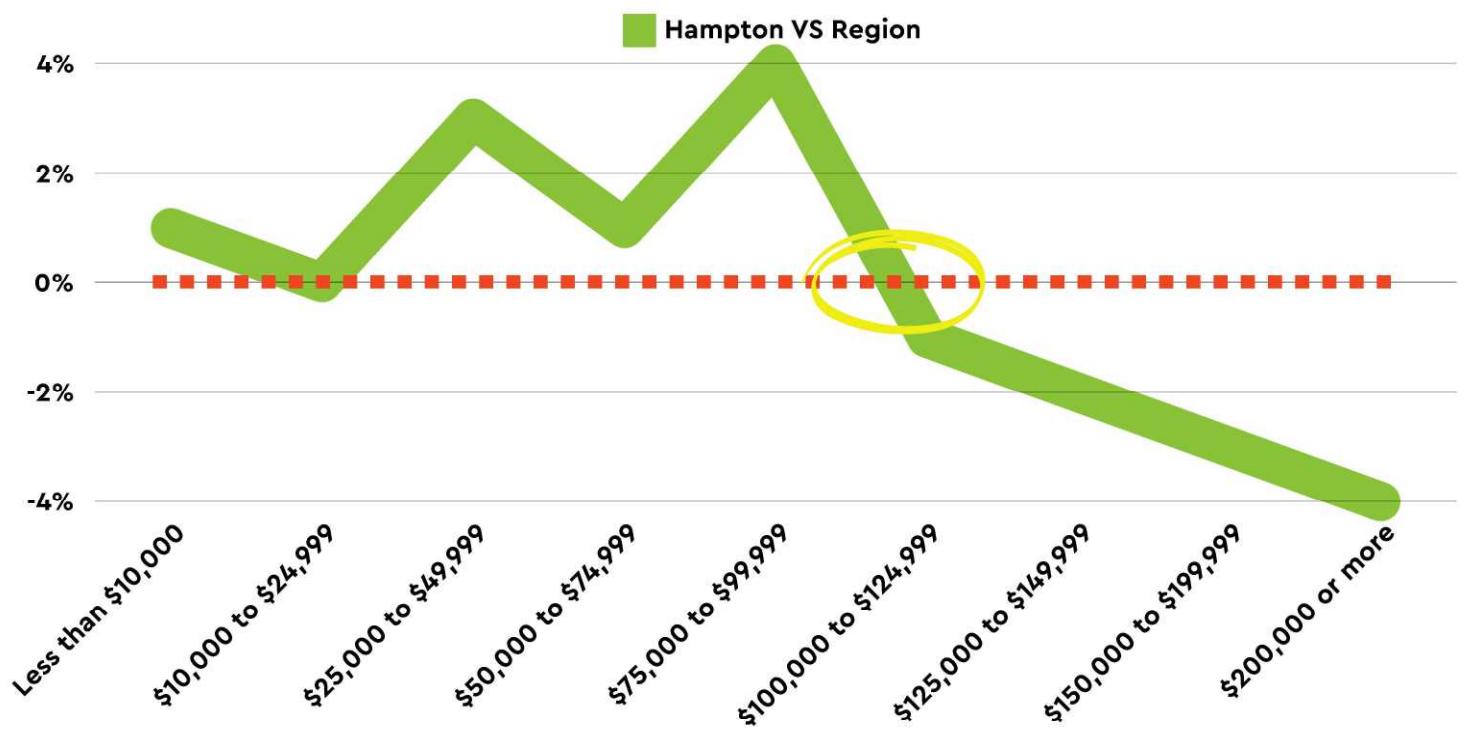
Renter-Occupied Housing & Householder Age

ACS 2023



Household Income To Regional Average

ACS 2023



Hampton
\$70,238

HR Region
\$79,325

Newport News
\$64,962

Norfolk
\$62,382

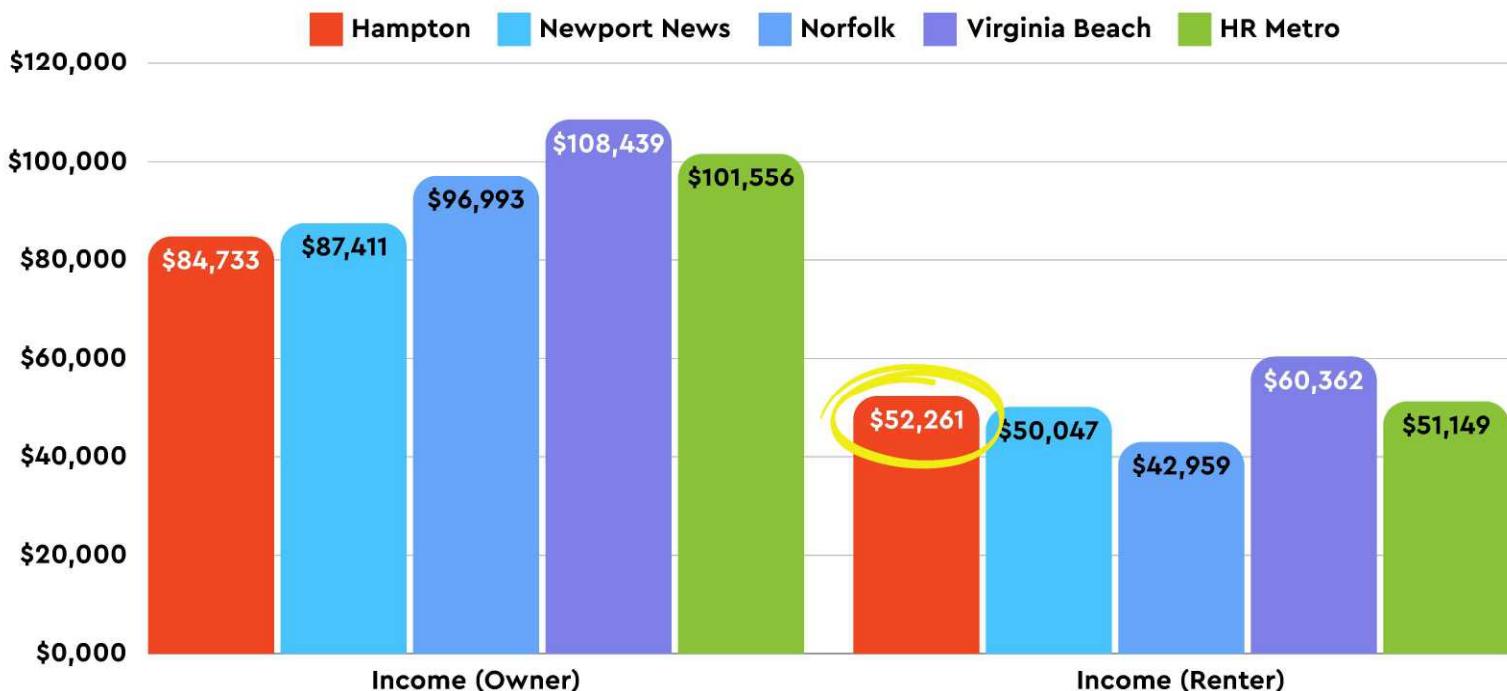
VA Beach
\$91,141

Median Income

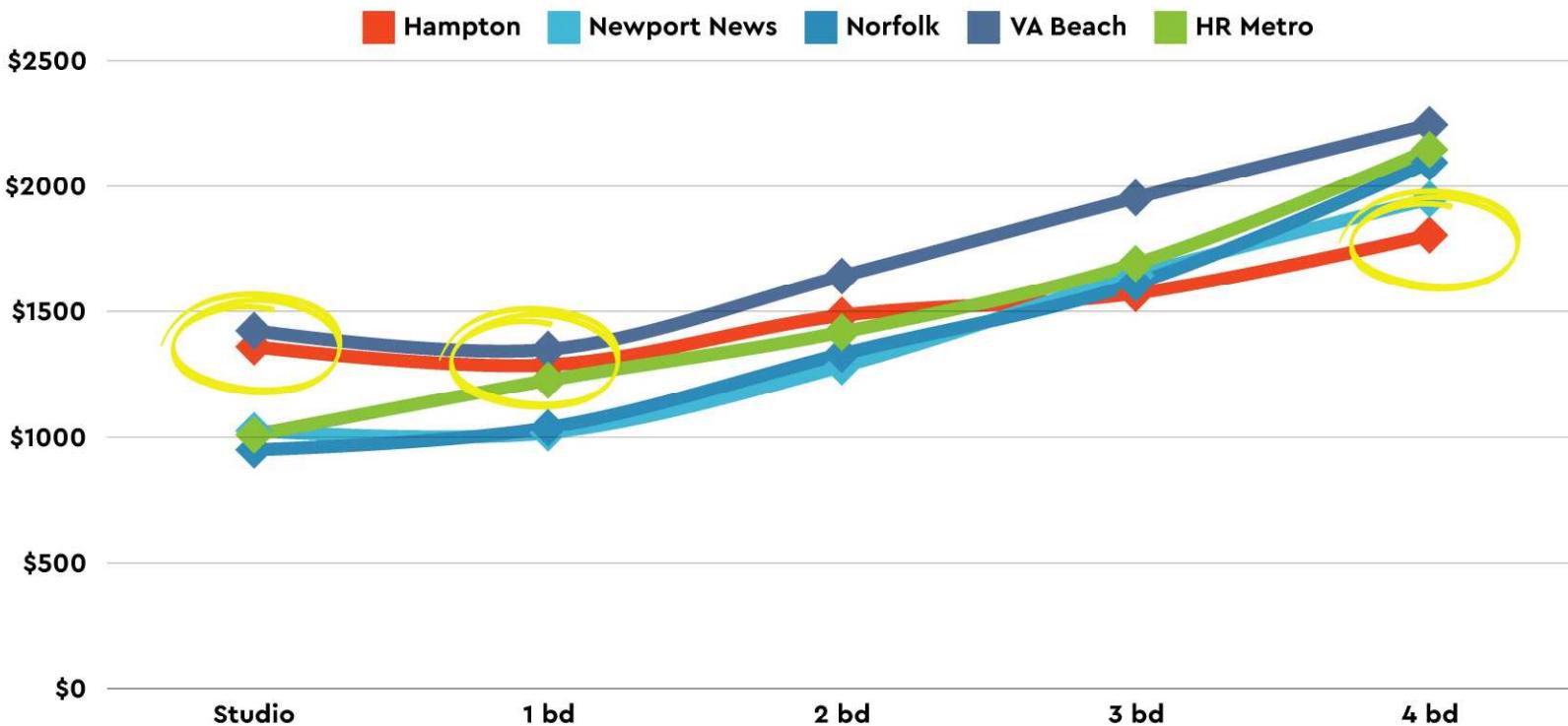
ACS 2023

Household Income by Owners/Renters

ACS 2023



Rent Rates by Number of Bedrooms



Regional Longevity Data

Moved in...	Hampton	Newport News	Norfolk	VA Beach	HR Metro
2018 or later	50.40%	56.80%	61.30%	49.10%	50.30%
2017 and earlier	49.60%	43.20%	38.60%	51.00%	49.80%
2010 or later	67.40%	73.90%	78.90%	67.30%	69.30%
2010 and earlier	32.60%	26.10%	21.00%	32.80%	30.80%

Trends & Initiatives



General Overview



Single Family



Multi Family



Affordability

Demand Factors



Housing Demand

Navy looking to add housing for 8,000 sailors in Hampton Roads



MOST POPULAR

- 1 Norfolk St. coach Dav... seasons
- 2 Video: Fire Williams... as officials
- 3 Man dies in Colley Ave...
- 4 An ambul... Beach cou... consider l...
- 5 Let it burn. undergro... Williams... smolder f...
- 6 Navy sailor negligent r...

"Vice Adm. Christopher "Scotty" Gray said the Navy is looking at creating 8,000 new beds for sailors in Hampton Roads. He said 1,000 to 1,500 beds would likely be in Newport News..."

Daily Press, July 2024

Housing Supply

"Less promising economic news relates to the lack of affordable housing for the workforce. Housing costs continued to rise due to a 15-year deficit in construction. Home prices are approximately 56% higher than in 2015.

Many families are housing-cost-burdened, meaning that more than 30% of wages are spent on a mortgage or rent."

ODU Dragas Center, Oct. 2024

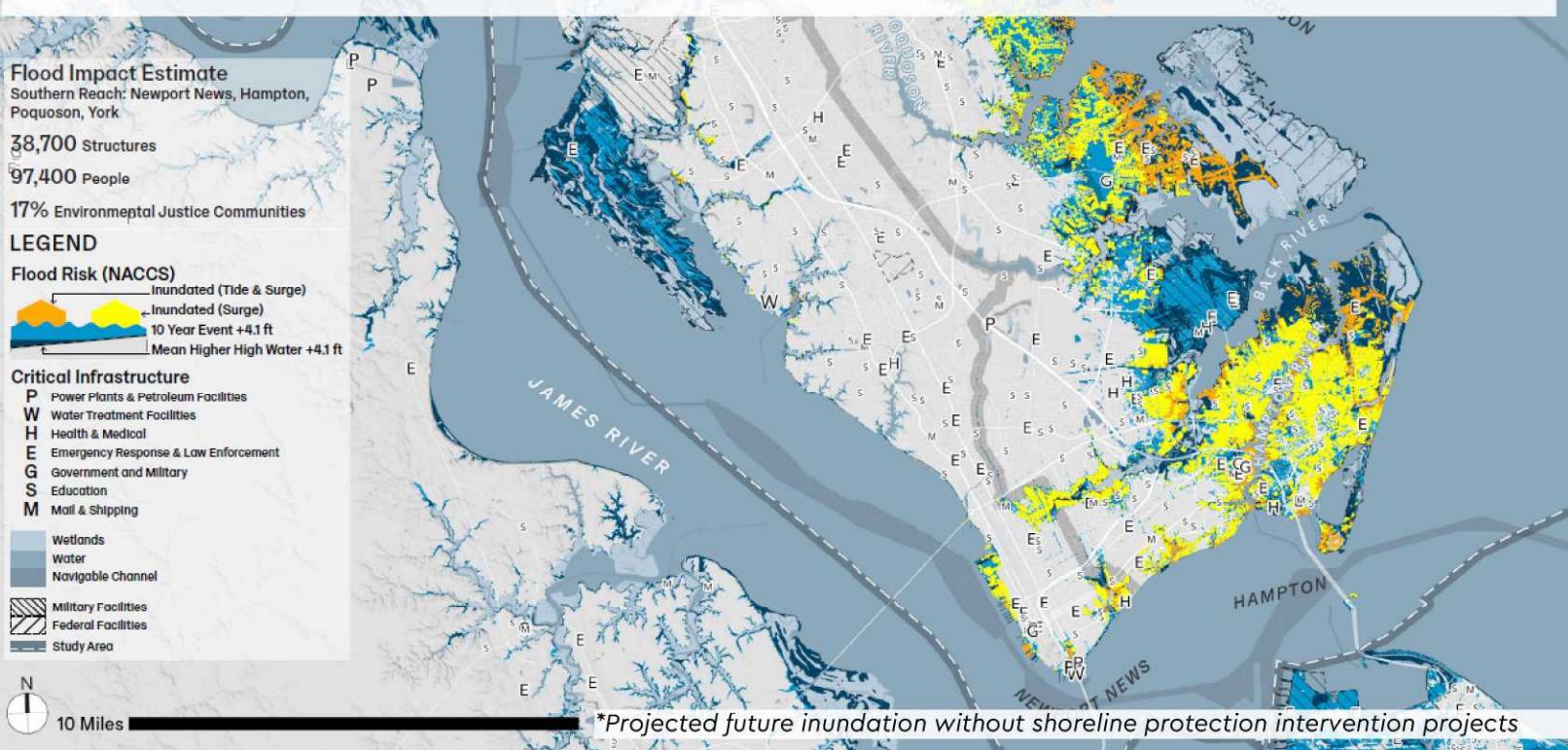
[Home](#) / [News Center](#) / State of the Region Report Projects Economic Growth, Sour Consumer Sentiment

State of the Region Report Projects Economic Growth, Sour Consumer Sentiment



Structural Inundation 10 Year Event in 2090*

+4.1 ft above 2024 (USACE High Scenario)



Future Challenges

NEWS > PROBLEM SOLVERS



More insurance companies predicted to drop Va. & N.C. customers, experts say

Problem Solver Erin Miller investigates why and shares how one Virginia Beach man found an agency to help



LATEST NEWS > NEWS > REGIONAL/NATIONAL

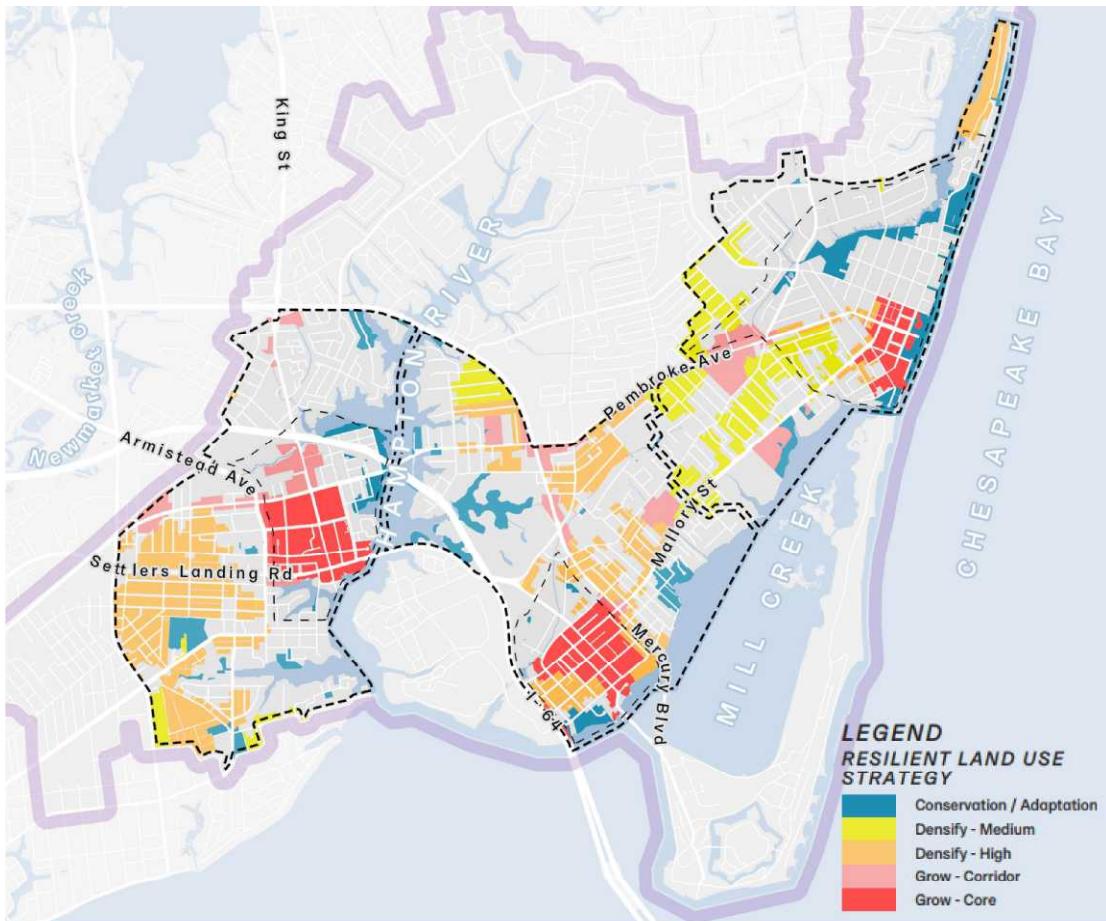
Insurance Payments to Repeatedly Flooding Virginia Properties Continue to Rise

By Jim Morrison, Virginia Mercury October 27, 2024



Flooding in Norfolk in 2022. (Courtesy of Jim Morrison)

NEW YORK – When it comes to protecting against flooding, the National Flood Insurance Program is increasingly underwater in Virginia, especially in Hampton Roads.



Housing Supply & Demand

LOCAL NEWS

Kaine, Warner announce \$98 million for ongoing housing crisis

by: Stephanie Hudson
Posted: May 8, 2024 / 07:34 PM EDT
Updated: May 9, 2024 / 04:00 PM EDT



More than \$17 million going to Hampton Roads cities

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PORTSMOUTH, Va. (WAVY) — Sens. Tim Kaine and Mark Warner announced Virginia will receive more than \$98 million in federal funding to address the affordable housing crisis.

Hampton Roads' share shakes out to more than \$17 million. While that's a lot of money, it's not enough to dig the region out of the housing crisis.

To put it into perspective, calls to the regional housing crisis hotline run by ForKids, Inc. have doubled from last April to this April.

The \$75 million program will build up to 5,000 housing units near large employers.

Virginia will help fund housing construction alongside major business development to help address growing housing costs, Gov. Glenn Youngkin announced Thursday.

Youngkin said the state's successfully attracting businesses with state funding to help localities prepare sites for development — but that's only part of the equation.

"Imagine announcing 500 new jobs in a community that doesn't have the housing to provide 500 new great job-seekers," the governor told a crowd at the Governor's Housing Conference in Virginia Beach.

The state desperately needs to ramp up housing supply to battle rising costs, he said. A 2021 state study cited a shortage of [200,000 affordable housing units](#).

The new Workforce Housing Initiative, created by an executive order Youngkin issued Thursday, will spend \$75 million over the next five years to help local governments build up to 5,000 housing units specifically for workers near large employers.

5 Big Housing Moves for 2025

01 - Sustainable & Efficient Land Use

02 - Inclusive Growth Opportunities

03 - Revitalize, Connect, & Beautify

04 - Development Ready Infrastructure

05 - Improve Housing Equitability

1

Sustainable & Efficient Land Use

Environmental, economic, & socially sustainable site designs that maximize our limited buildable land.

Pursue opportunities to mix and maximize uses

Challenges & Needs

- Actionable concepts
- Essential expectations
- Infrastructure tools

Strategies

- Continue to implement goals and vision
- Actively update site concepts
- Improve development process
- Expand infrastructure solutions

2

Revitalize, Connect, & Beautify

Support reinvestment into single family neighborhoods, updating aging housing stock, and creating places people want to live. Ensure housing connects to social and commercial centers, schools, and greenways.

Challenges & Needs

- Housing Organizations
- Demand and Complexity
- Maintenance

Strategies

- Capacity Building
- Expand & Refine Programs
- Refine placemaking & connectivity initiatives
- Public improvements

Upcoming Planning Initiatives



5-yr Consolidated Housing Plan (HUD)

Comprehensive Housing Study

Coastal Storm Risk Management Feasibility Study

Water Plan - Fox Hill, Grandview, Harris Creek

Parks Master Plan



5yr Consolidated Housing Plan (HUD)

PROJECT: Develop a 5-year housing plan with an assessment of fair housing needs to submit to HUD by August. Directs HUD funding for the City over the next 5 years.

STATUS: Consultant Procured, Kick-off in December, Draft due by March, Complete by July

Comprehensive Housing Study

PROJECT: Establish a baseline understanding of the market and the strategic opportunities for housing growth. The focus is on general city-wide trend data and strategic focus areas.

STATUS: Draft RFP scope under review, Goal to complete in 2025

Coastal Storm Risk Management Feasibility Study

PROJECT: Identify future solutions to reduce damage caused by coastal storms throughout the Virginia Peninsula. Hosted in partnership with the City of Hampton and the U.S. Army Corps of Engineers (USACE).

STATUS: Planning and engagement underway. First Study milestone scheduled for late February.

Water Plan - Fox Hill, Grandview, Harris Creek

PROJECT: The City and community partners create watershed-level plans and projects for resilience within the Fox Hill, Grandview, and Harris Creek neighborhoods.

STATUS: RFP bid process underway with award expected early 2025 and project kickoff to follow.

Natural Infrastructure Resiliency Plan

PROJECT: Implementation of plan that provides strategies for the management, protection, and restoration of natural infrastructure in Hampton.

STATUS: Adopted in November, Implementation underway

Parks Master Plan

PROJECT: To refine guidance provided in previous processes and to develop a plan that addressed the facilities, funding, and services provided with the Hampton parks system.

STATUS: RFP scope is in development

Housing Data



General
Overview



Single Family

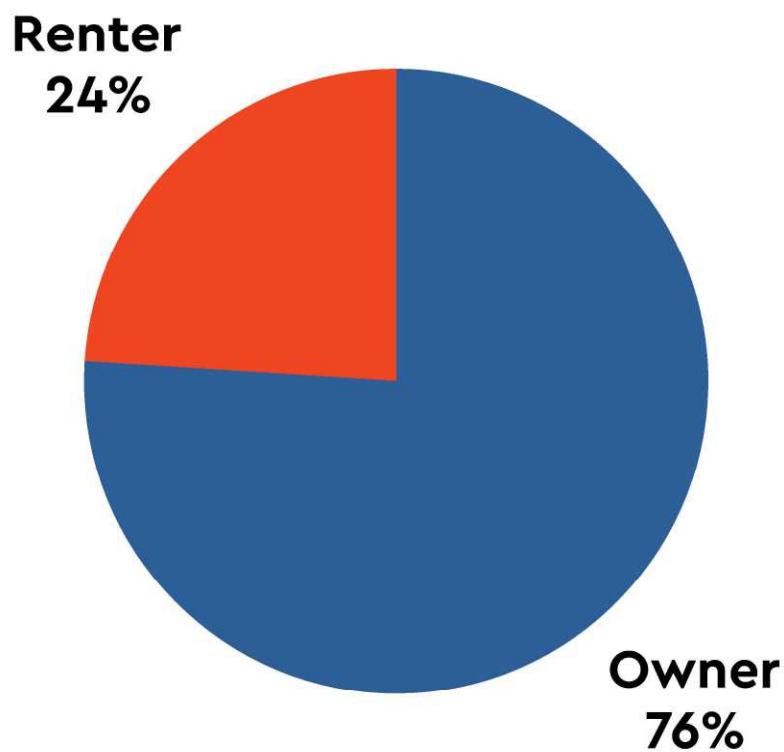


Multi Family



Affordability





ACS 2023
Occupied units:
Tenure, Structure

Hampton Single Family

Hampton
71%

HR Region
73%

Newport
News
61%

Norfolk
54%

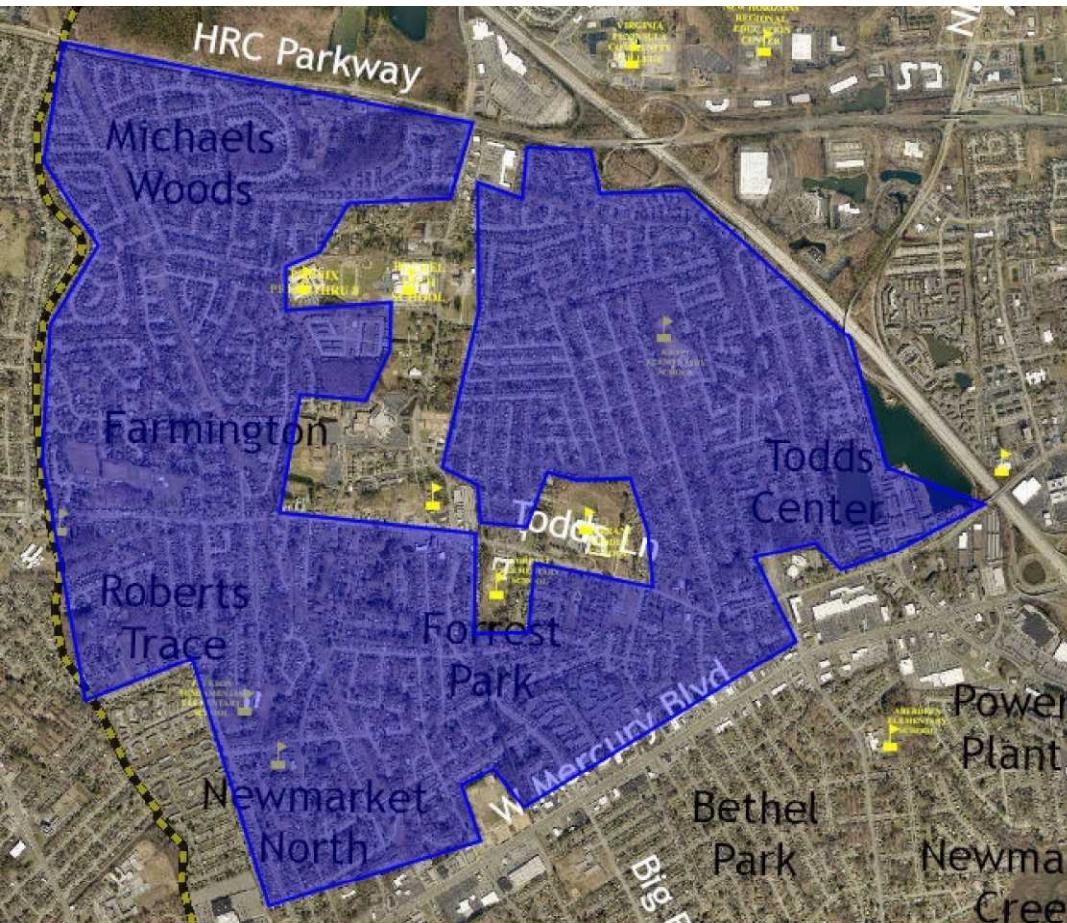
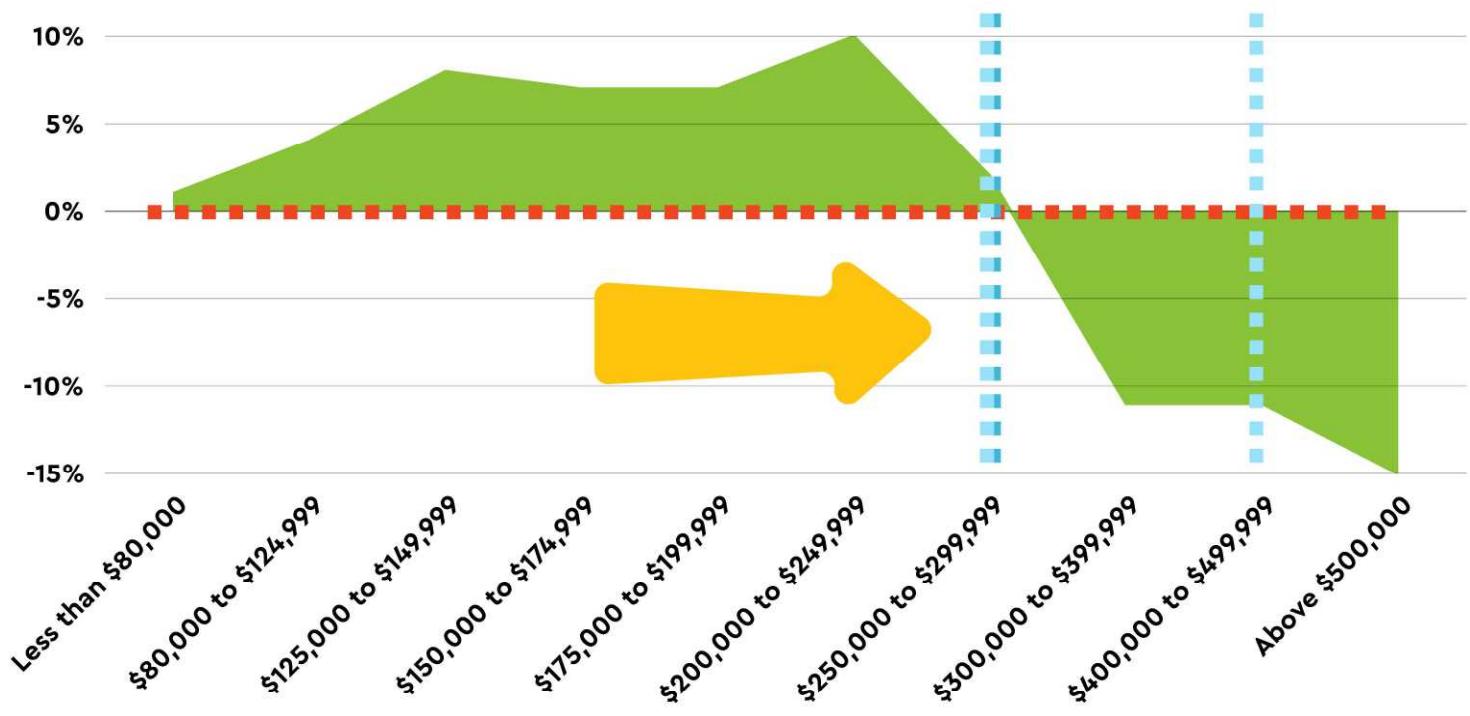
VA Beach
76%

Single Family Units

ACS 2023
Occupied units:
Tenure, Structure

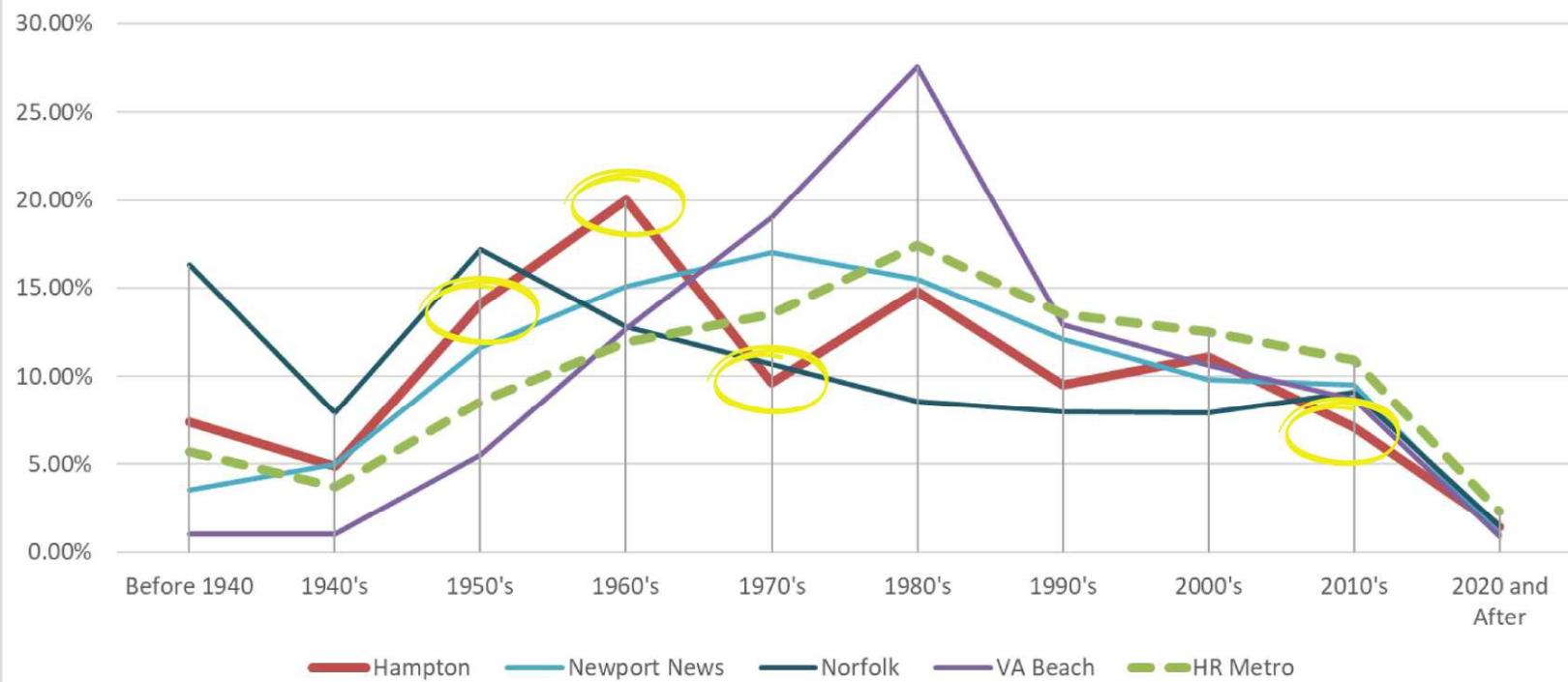
Owner Home Values To Regional Values

ACS 2023



To meet average value in the region, Hampton would need to increase values of at least **12,000 owner-occupied homes** (approx. **3.75 sq miles**) to more than **\$250,000**

Year Structure Built



Trends & Initiatives



General Overview



Single Family



Multi Family



Affordability



Reinvestment Trends Housing Size & Features



"In 2023, the average size of a single-family home built for sale in the United States amounted to 2,514 square feet. Although in the past five years American homes have been shrinking, since 1975, they have almost doubled in size. "

Statista Research Department, 2024

Reinvestment Trends Incremental Growth



"Solutions that fit more than one home on a parcel, like ADUs, duplexes and triplexes, townhomes, and cottage clusters, provide more housing and bring down rental and sales costs, which is the only way to get a pipeline to more attainable homes"

Casita Coalition

3

Inclusive Growth Opportunities

Expand support to advance efforts on Infill housing, ADU tools, Missing Middle, Condo/Coop solutions, In-Home Business, Rental Inspection, & Neighborhood Mixed Use (Buckroe, Fox Hill, Phoebus, Olde Hampton) Tools

Challenges & Needs

- NIMBY-ism
- Capacity for rewrites & new initiatives
- Implementation Tools

Strategies

- Engagement & Education
- Adopt strategic growth plans
- Improve Planning & Zoning capacity to lead efforts
- Invest in tools and software
- New development solutions

Upcoming Planning Initiatives



Housing Venture

Model Block

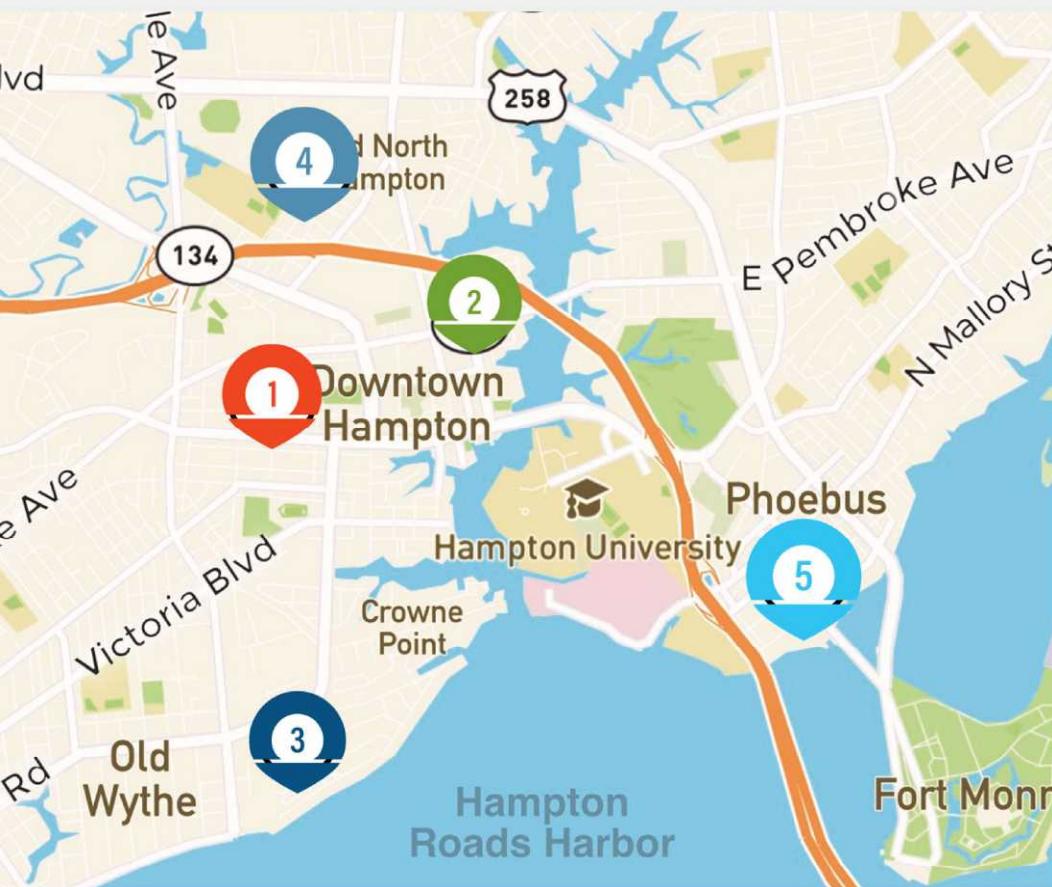
Rock the Block

Critical Repair Process

Infill Housing Design Book

Accessory Dwelling Units





1 **Olde Hampton**

2 **Pasture Point**

3 **Sussex**

4 **Olde North Hampton**

5 **Phoebus**

Fordham



Old North Hampton



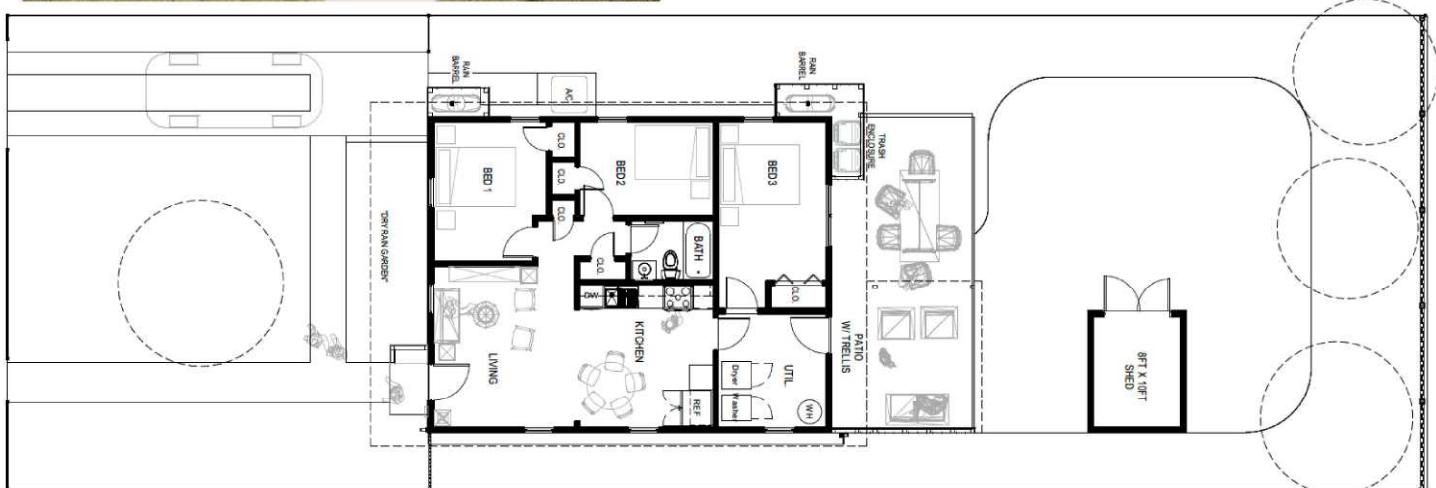


517 Smiley

Model: Basic Renovation

3 Bedroom 1 Bath

Converted Porch to Room, New finishes,
Rear patio, Expanded eaves







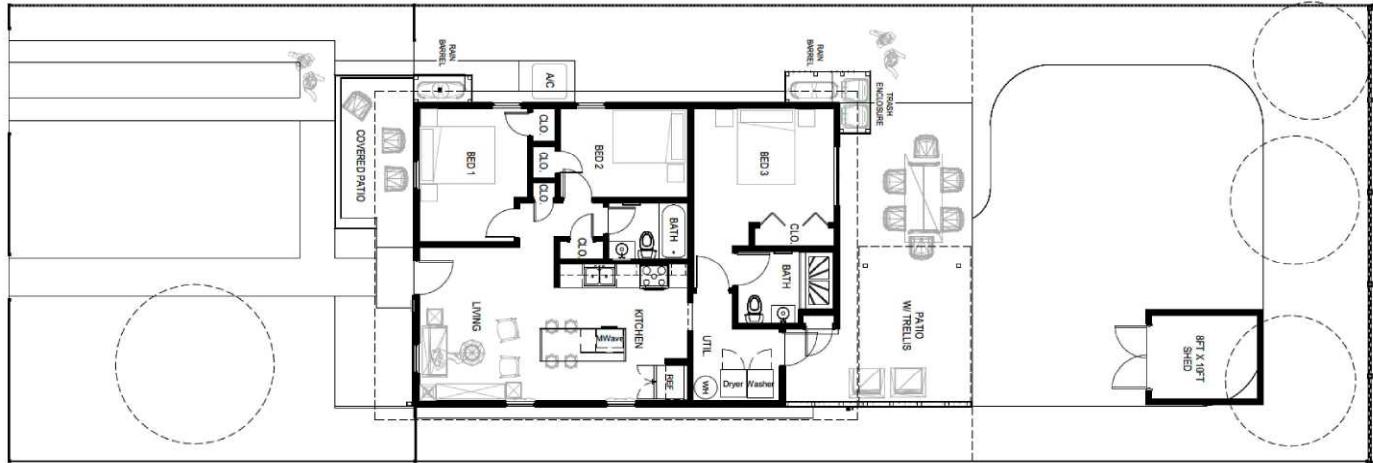
519 Smiley

Model: Rear Addition

3 Bedroom, 2 Bath

Utility Room, Outdoor living space

Expanded eaves, New finishes

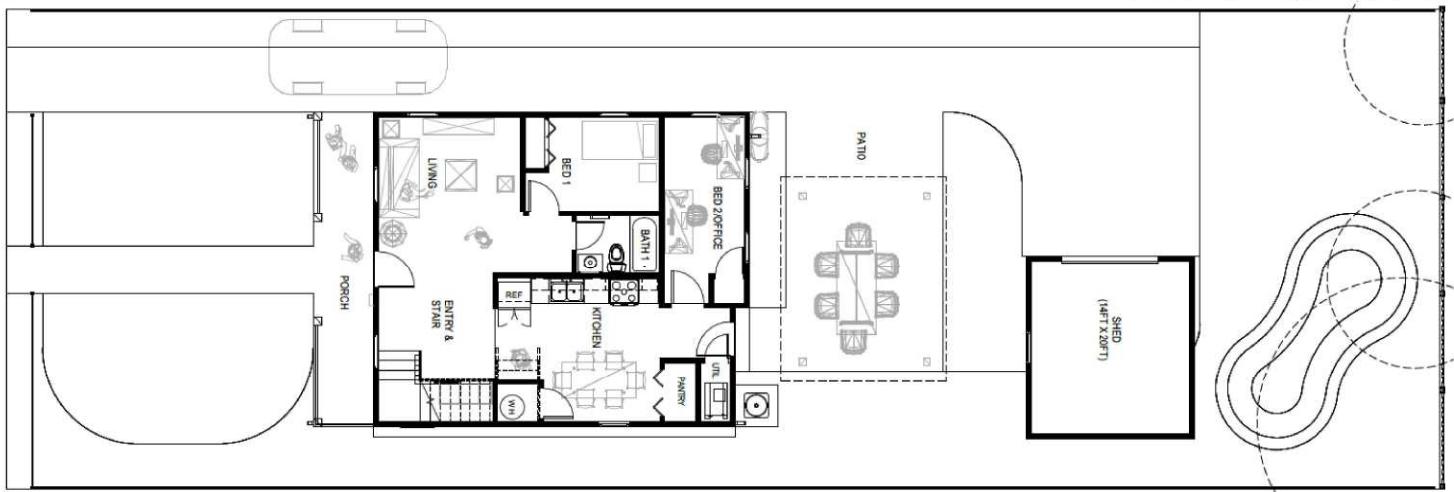
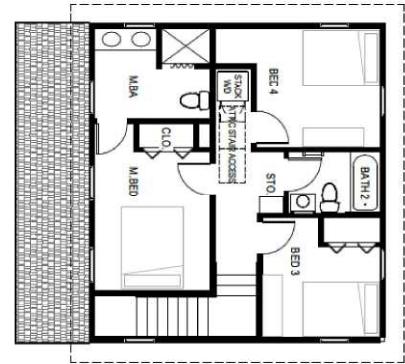




511 Smiley

Model: 2nd Story Addition

5 Bedroom, 3 Bath
Current footprint, New finishes,
Front porch, Patio area, Large shed





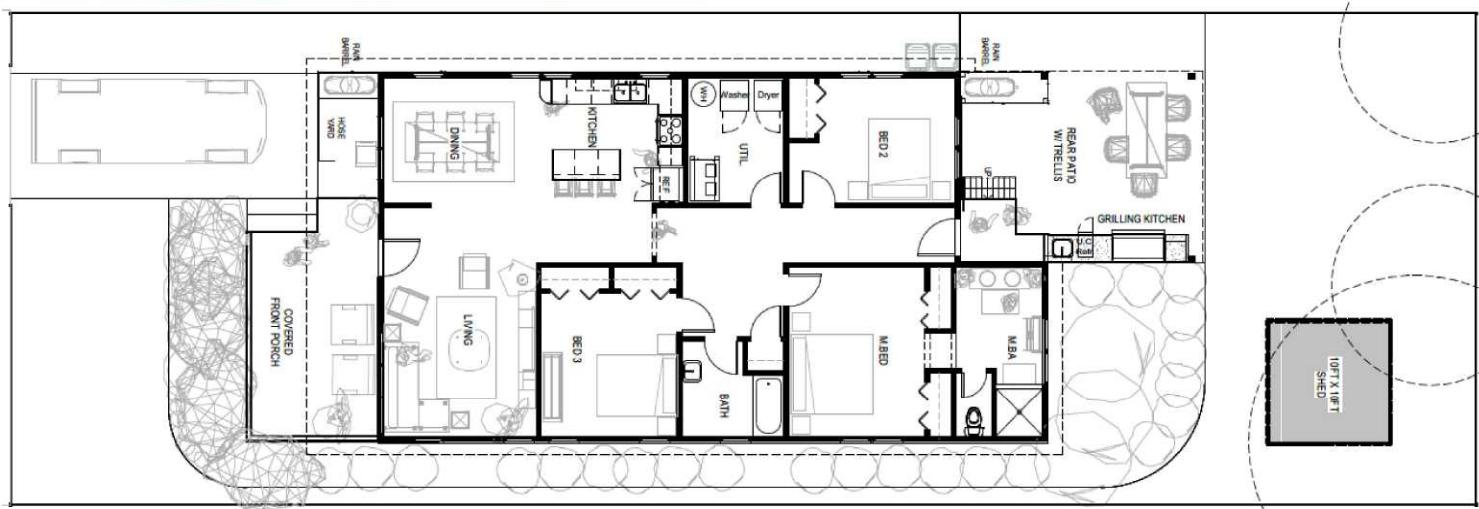


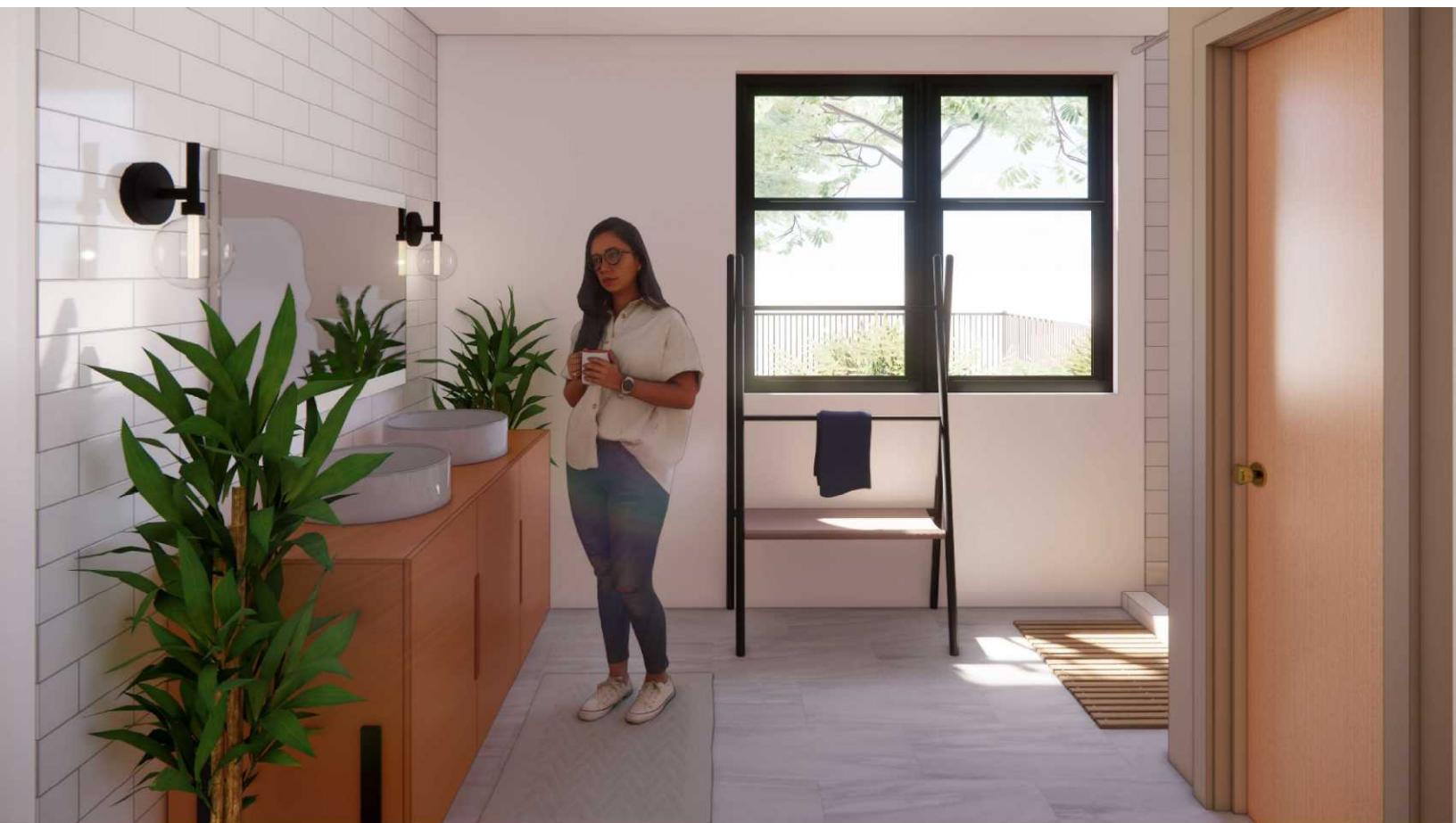
428 Smiley

Model: New Construction

3 Bedroom, 2 Bath

Expanded & open living space, similar front elevations, outdoor living



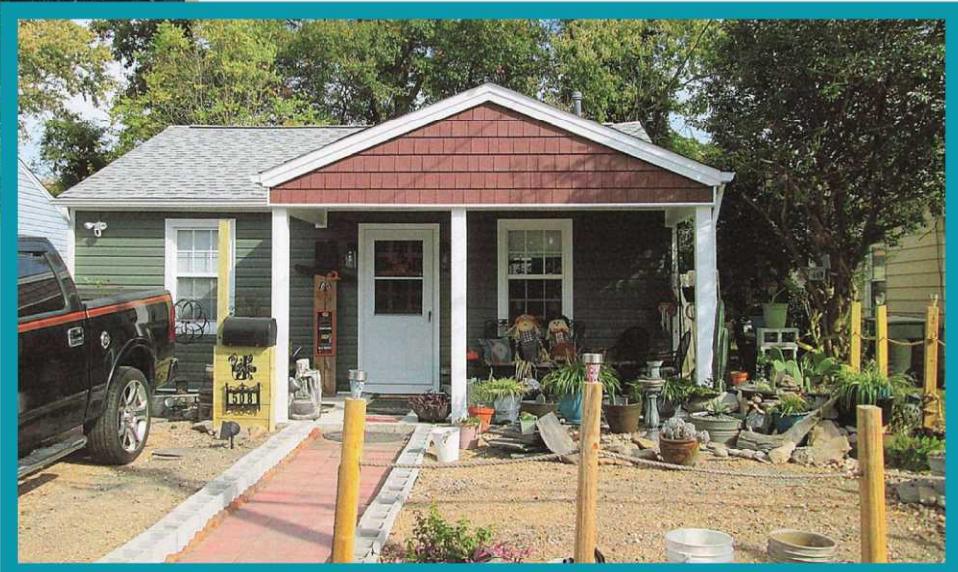
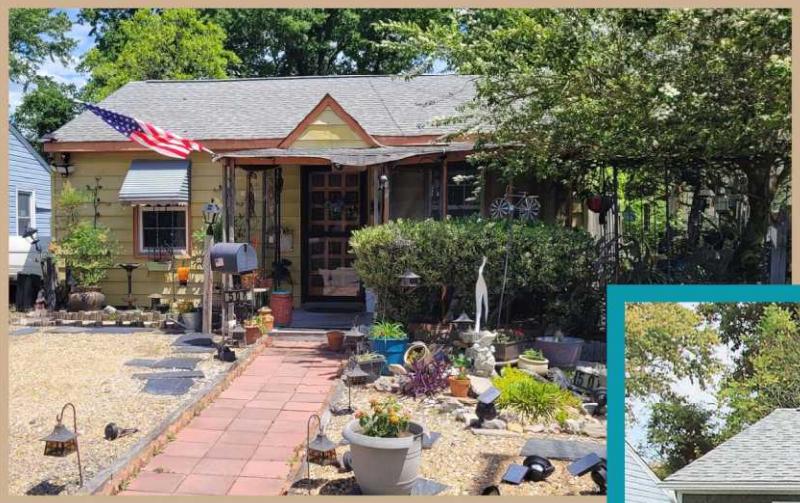




Program Overview

- Impactful curb appeal projects
- Completed within 3-6 months
- Up to \$20,000 per house
- Homeowner match required:
10% of grant funds
- Renter/Investor match required:
50% of grant funds





Fordham 2023 Results

- 10 participating homes
- Average contract amount: \$16,561.00
- Average homeowner copayment: \$1,656.12
- Total funds contributed: \$172,511.50
- Most needed enhancements:
roofs, doors, driveways, painting

Fordham 2024
13 Projects Underway Now



Critical Repair Process

46 homes receiving assistance:

- 4 Application In Process
- 17 Underway
- 25 Projects Complete



Total Funds Expended to date: \$479,884
Average of \$10,432 per home
(January to September 2024)

Critical Repair Process

66 critical repairs* complete/underway:

- 22 HVAC
- 18 Roofing
- 10 Hot Water Heater
- 6 Electrical
- 6 Main Water Line
- 4 Main Sewer Line
- 0 Code Violation Referral



* Note some homes may receive multiple system repairs within the program limits (January to September 2024)

Infill Housing Design Book

PROJECT: Develop a set of plans that are cost efficient, attractive, and are allowed by right on substandard lots. Develop regulations to support the use of the plans and encourage compliance with design principles.

STATUS: Consultant engaged, engagement planning underway, anticipated completion in about 18 months.

Accessory Dwelling Units

PROJECT: To develop ordinances that permit the use of accessory structures as dwelling units, incrementally increasing housing opportunities across the city.

STATUS: Engagement process to begin in 2025 with adoption of ordinances to follow later in the year.

Housing Data



General Overview



Single Family



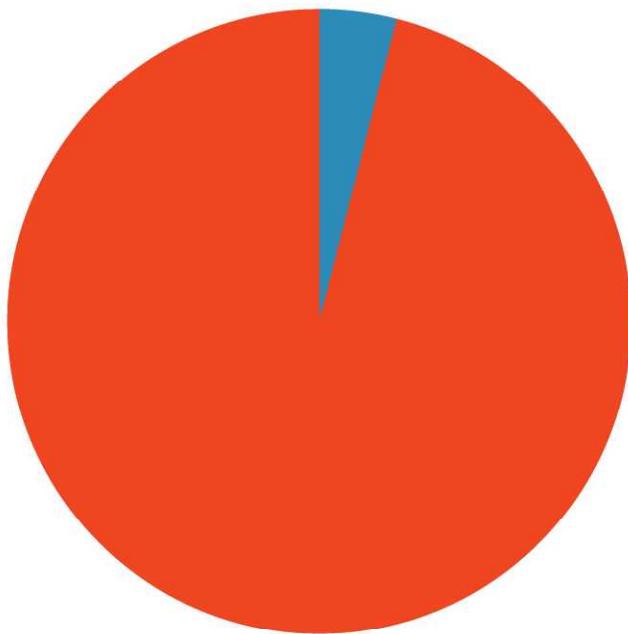
Multi Family



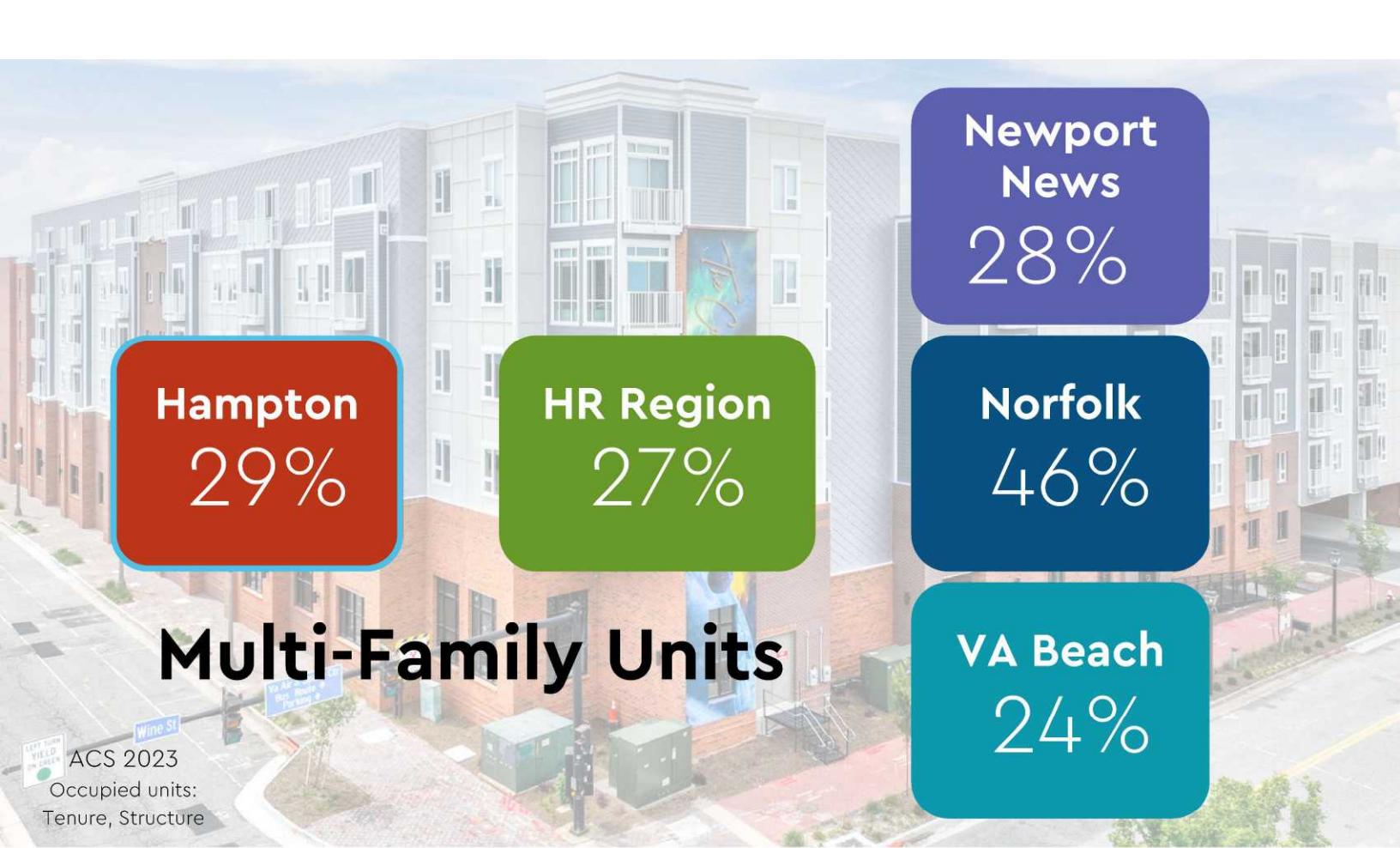
Affordability



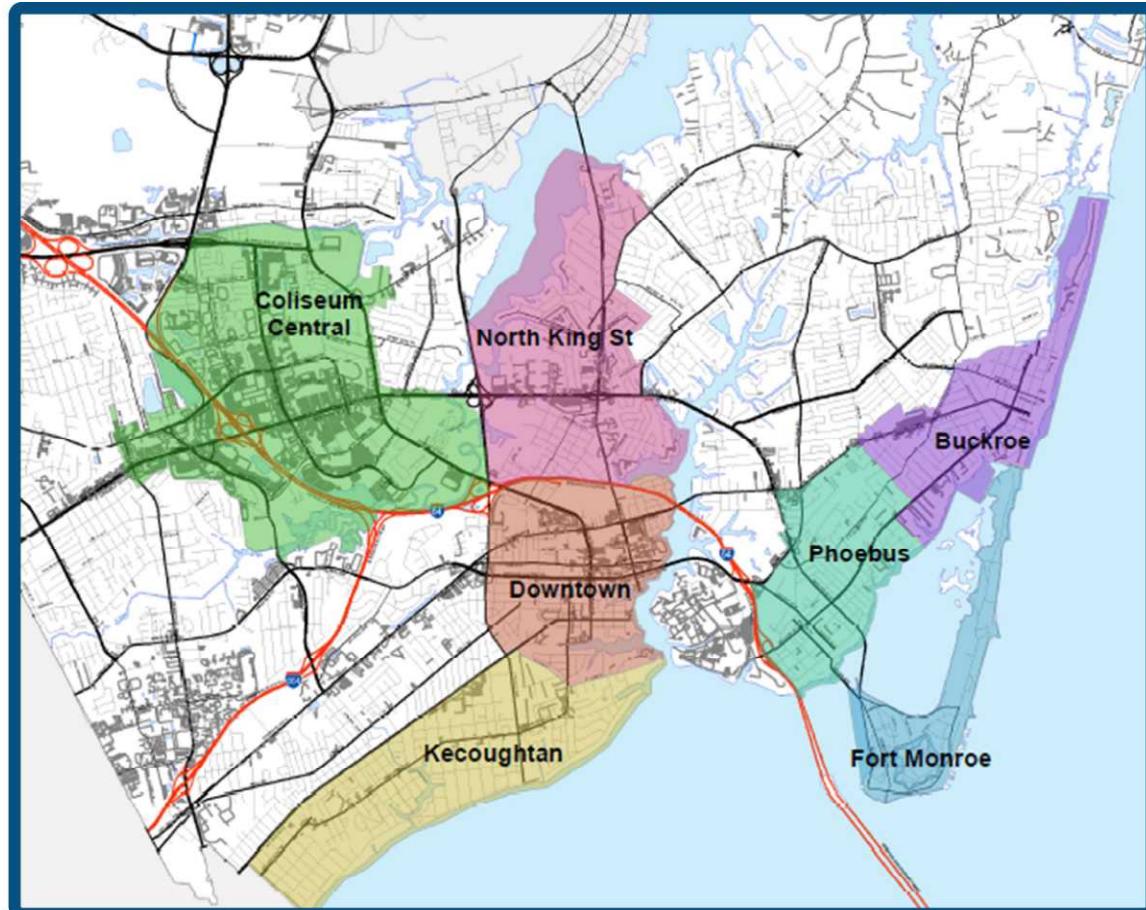
Owner
4%



Hampton
Multi-Family



Urban Development Areas



Studio 1 Bed 2 Beds

City

1 Bed Avg Rent

Annual Change

Poquoson	\$1,700	--
Chesapeake	\$1,646	+26%
Virginia Beach	\$1,620	+13%
Williamsburg	\$1,618	-3%
Carrollton	\$1,612	-7%
Suffolk	\$1,506	+40%
Yorktown	\$1,467	+7%
Newport News	\$1,319	+4%
Norfolk	\$1,310	+5%
Portsmouth	\$1,279	+22%

Hampton
Rent

1 Bed
\$1,614

Rent.com 11/2024

Housing Trends



General
Overview



Single Family



Multi Family



Affordability



Growing a Sustainable Economy

Density/Critical Mass



"A block with 10,000-15,000 sq. ft. of retail needs about 400-600 housing units within a walkable radius to remain viable."

McKinney, Congress for New Urbanism

"Neighborhood-serving retail typically requires 300-500 square feet of retail per housing unit to achieve economic sustainability"

Urban Land Institute

Restaurants typically require a customer base of 1,000-1,500 people to sustain operations, which translates to about 500-700 housing units, depending on income levels and frequency of dining out.

ICSC Urban Retail Feasibility Report



Growing a Sustainable Economy

Infrastructure Readiness



"Infrastructure is more than roads or physical structures.

It's the organizational framework for society that can be manifested physically, socially, and economically. All of these forms of infrastructure are needed for sustainable development and enterprise, and clear communication is required to ensure a common understanding among all the stakeholders."

—Kelly Nagel, Stoltz Real Estate Partners, McLean, Virginia
PRIORITYZING EFFECTIVE INFRASTRUCTURE-LED DEVELOPMENT,
Urban Land Institute



Growing a Sustainable Economy

Affordability

"Affordable housing initiatives stimulate local economies by increasing, disposable income for families, which in turn, bolsters local spending. The construction and maintenance of affordable housing projects also generate employment opportunities and contribute to tax revenues. "



Habitat for Humanity Charlotte Region

Growing a Sustainable Economy

Mixed Income

"Mixed-income developments foster innovation and help build more inclusive and sustainable neighborhoods"

Hal Ferris, Spectrum Development Solutions
How Mixed-Income Housing Can Benefit Both
Communities and Investors, Urban Land Institute





Constellation at King
114 units/acre
159 units



Axis at PTC
169 units/acre
169 units



Pinnacle
30 units/acre
212 units



Lumen
37 units/acre
301 units

4

Development Ready Infrastructure

Possessing a clear understanding and plan to address gaps in site readiness to achieve the density and functionality of long term plans. Includes, study, design, and implementation of improvements.

Challenges & Needs

- Site ready data
- Actionable concepts
- Infrastructure tools

Strategies

- Infrastructure studies
- Actively update concepts plans
- Connectivity planning
- Emerging grant/bond tools

Housing Data & Trends



General
Overview



Single Family



Multi Family



Affordability



Housing Burdened - Renter Households

Hampton
54%

HR Region
55%

Newport
News
53%

Norfolk
54%

VA Beach
56%

Spending more than 30% of income on housing cost

ACS 2023

**2024 HUD
Income Limits**
(80% AMI)

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Who qualifies for "affordable housing" in 2024?



"Linda Gregory"

1 person, 72yo

< \$56,400

Retired from Shipyard

Assoc. Degree

Arts & "Foodie"



"The Greenes"

2 ppl, 59yo

< \$64,450

Retail Manager

& Disabled (SSI)

Science & Gardening



"The Krafts"

4 ppl (65, 30, 10, 8yo)

< \$80,550

Civil Service

Bachelor Degree

Sports & Beach

Who qualifies for "affordable housing" in 2024?



"Tom Jones"

1 person, 26yo

< \$56,400

City Planner

Masters Degree

Arts & "foodie"



"The Collins"

2 ppl, 32yo

< \$64,450

Landscaper &

Part-Time Yoga

Instructor

Biking & gardening



"The Rowes"

3 ppl (39, 12, 9yo)

< \$72,500

Business Manager

Bachelors Degree

Sports & beach

5

Improve Housing Equitability

Take intentional steps to support the housing needs of special populations (senior, disabled...) and address historic housing inequalities. Actively seek solutions that improve access to housing, create opportunities to building household wealth, and preserve affordability for future generations.

Challenges & Needs

- Niche needs
- Limited tools
- "Affordable" NIMBYism
- Non-profit capacity
- Preservation & upkeep

Strategies

- Comprehensive housing strategy
- Eviction prevention efforts
- Non-profit housing partners
- Recapitalize affordable units

5 Big Housing Moves for 2025

01 - Sustainable & Efficient Land Use

02 - Inclusive Growth Opportunities

03 - Revitalize, Connect, & Beautify

04 - Development Ready Infrastructure

05 - Improve Housing Equitability

Key Takeaways



General Overview

Strong market demands & low supply, driving costs
Population progress: younger, stay longer, & moderate incomes
Reinvestment and growth are key



Single Family

Solid ownership rate
Older, smaller, lower valued housing stock requires reinvestment
Both site-based and public infrastructure reinvestment can impact values



Multi Family

Growing market of solid demand
Critical mass needed to support commercial and workforce needs
Density, income mix, & infrastructure are key factors



Affordability

Household incomes making some progress, still behind region
Need to be strategic in addressing gaps
Single-family remains lower valued, Diversity of multifamily options are limited

Hampton Housing Opportunities Discussion

Hampton Housing Update

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*Prepared by
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