



Hampton Housing Update

January 2020

Prepared by:
Hampton Community
Development Department
Hampton Redevelopment &
Housing Authority

Agenda

I. Hampton's Market

- A. Ownership & Housing Stock Overview*
- B. Single Family Market*
- C. Multi-Family Market*
- D. Population & Market Insights*

II. Update on Assisted Housing & Fair Share

III. Housing Resources & Tools

STRATEGIC HOUSING PLANNING

Community Vision

*Insights
Data
Market
Resources*

Values, Policies, Goals

Programs

Projects

Priorities

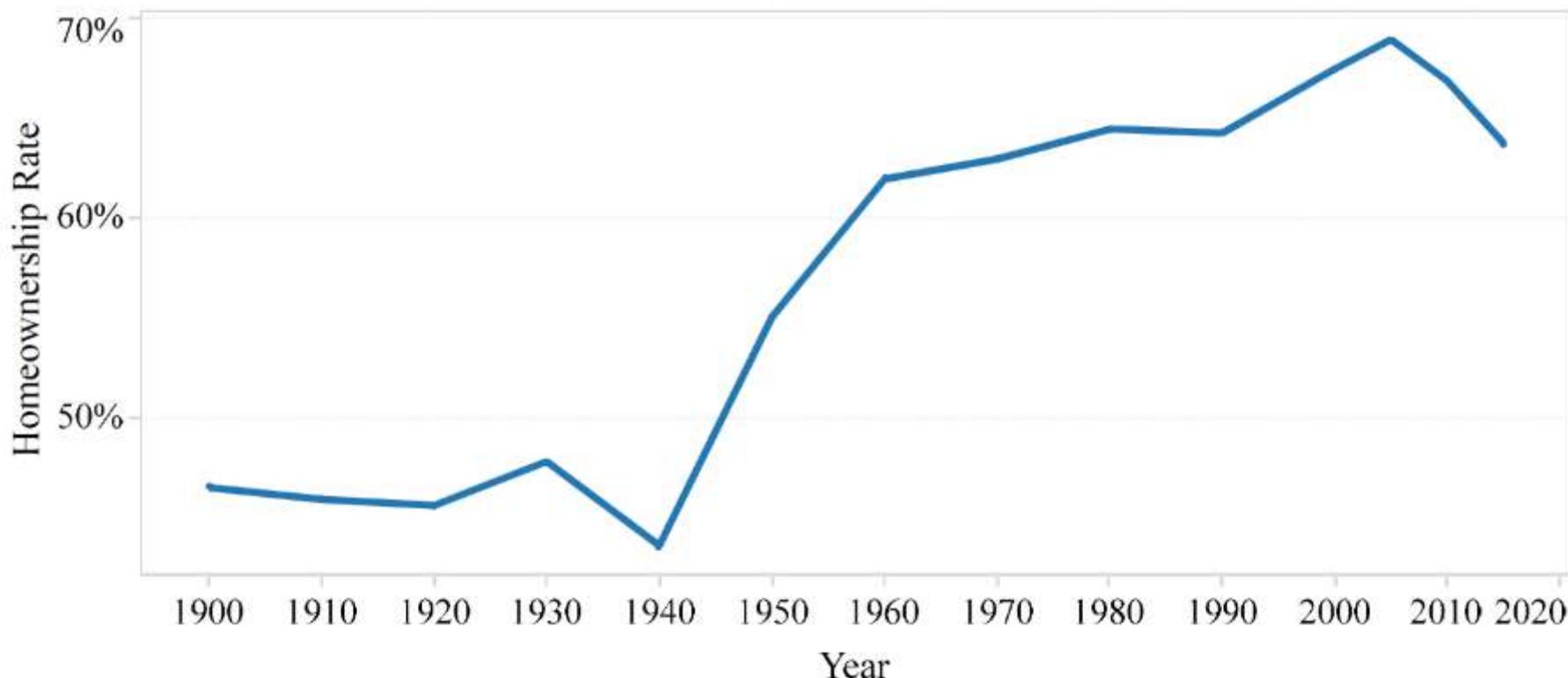
Practices



ASSESSING OUR HOUSING SUPPLY

*Ownership,
Rental Rates,
Age, Value*

Homeownership Rate (1900-2015)



Hampton's Home Ownership Ratio

2006 to 2017 Census (High/Low)

Ownership

62% ➔ 55%

Rental

38% ➔ 45%

Williamsburg

Matthews
County

Gloucester
County

York
County

Newport News

50% Own
50% Rent

Hampton

55% Own
45% Rent

Hampton Roads

61% Own
39% Rent

Norfolk

43% Own
57% Rent

Southampton

Suffolk

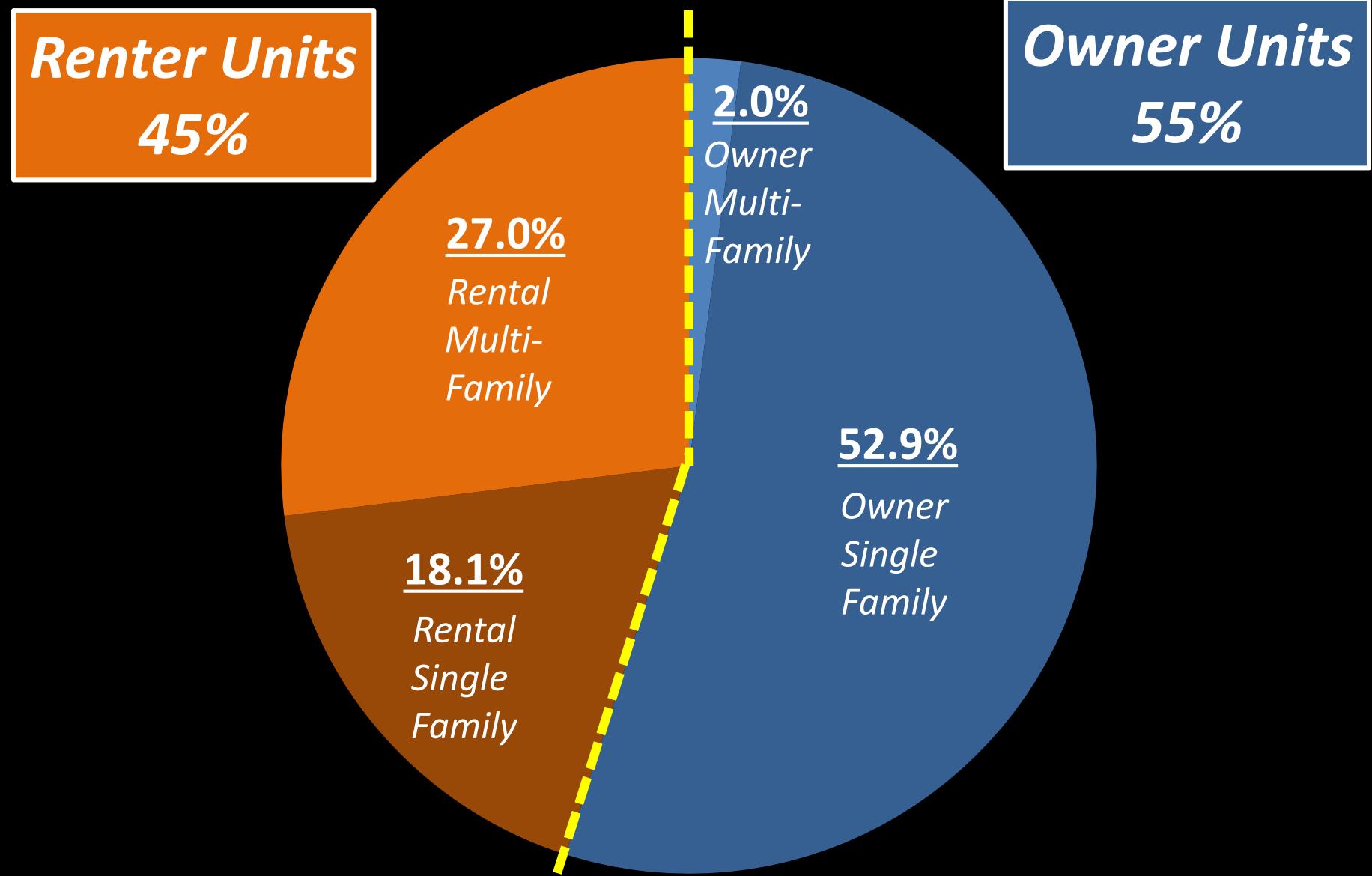
Chesapeake

Virginia

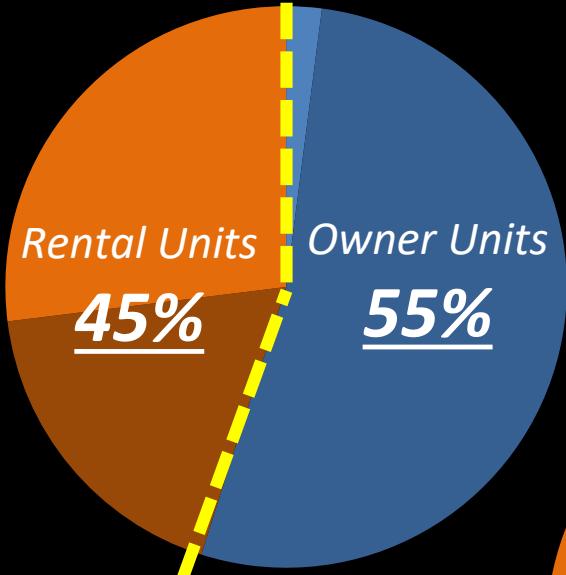
Va Beach

64% Own
36% Rent

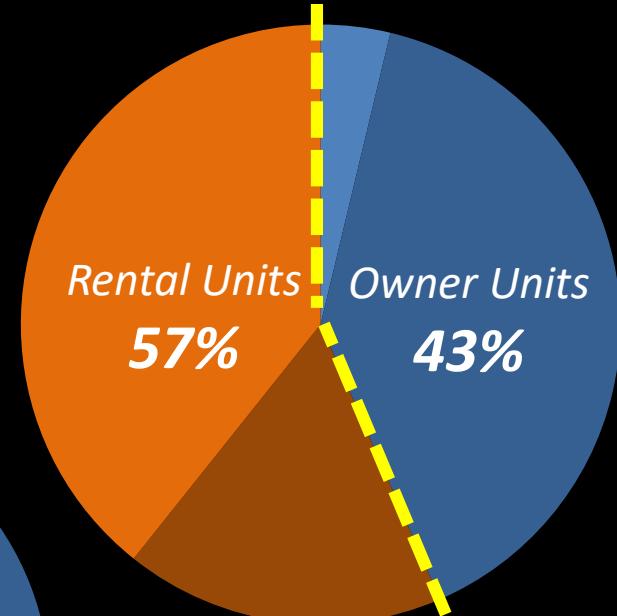
Hampton Owner/Renter (% of Total Units)



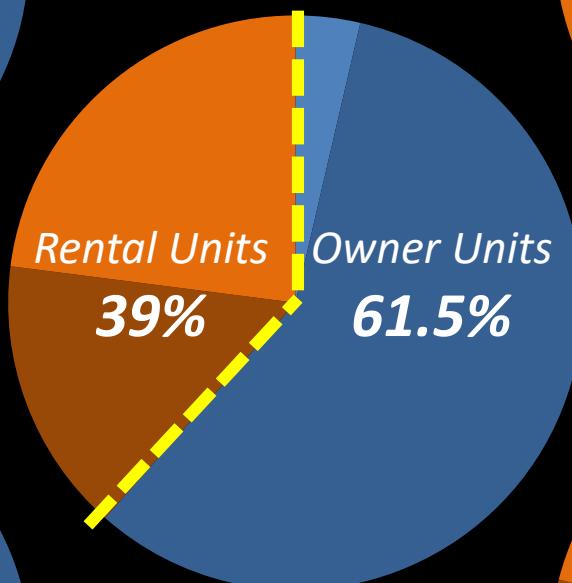
Hampton



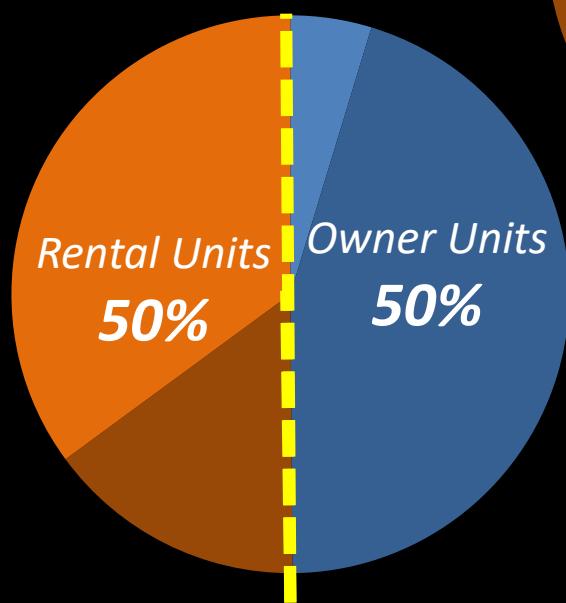
Norfolk



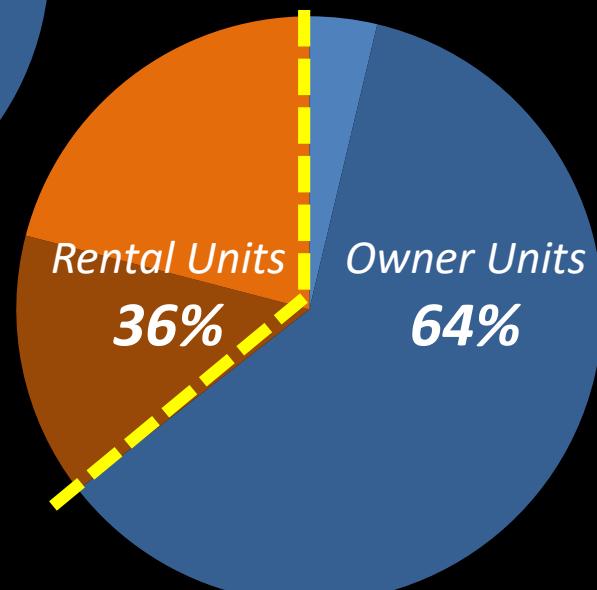
HAMPTON ROADS



Newport News

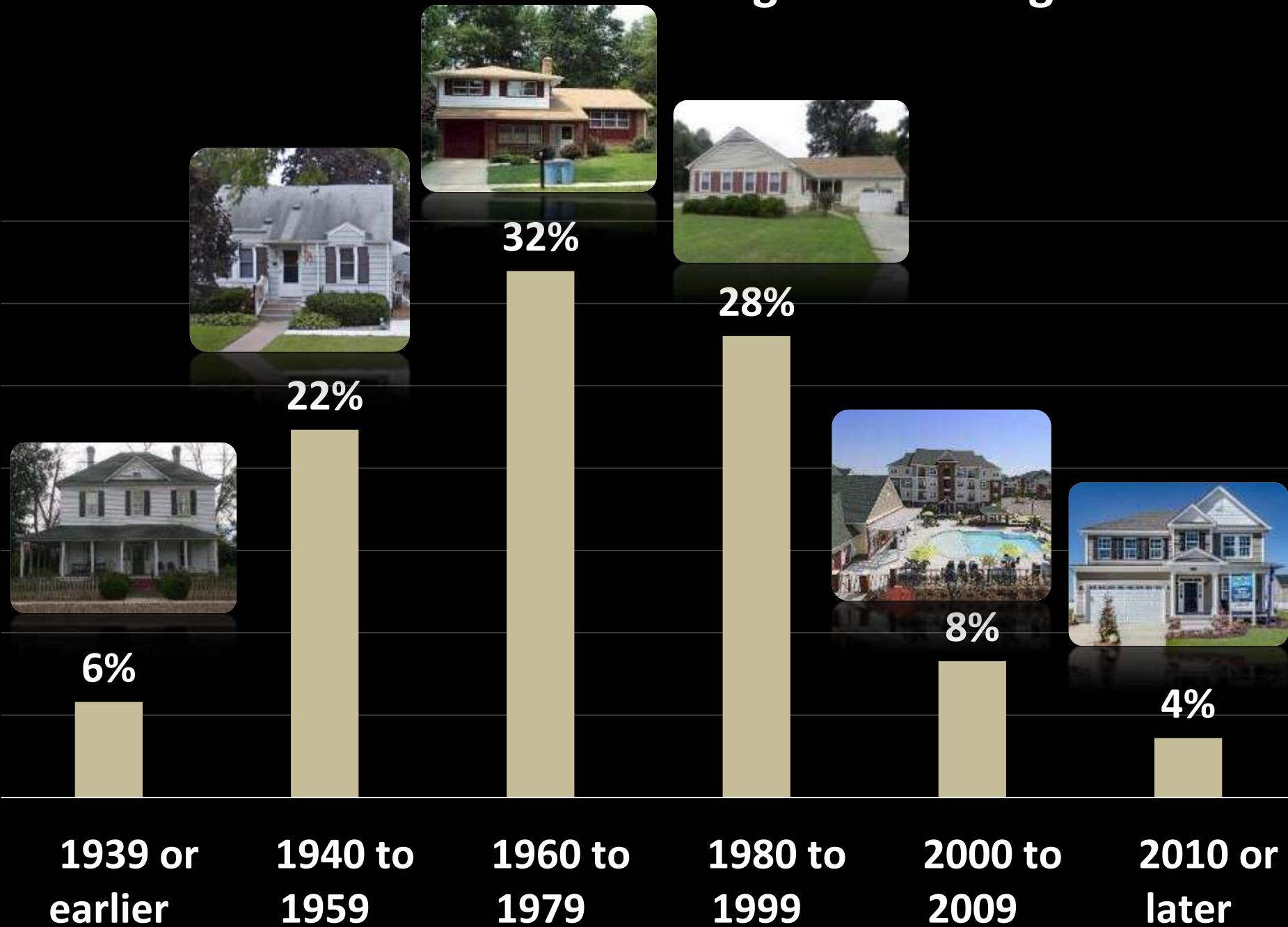


VA Beach

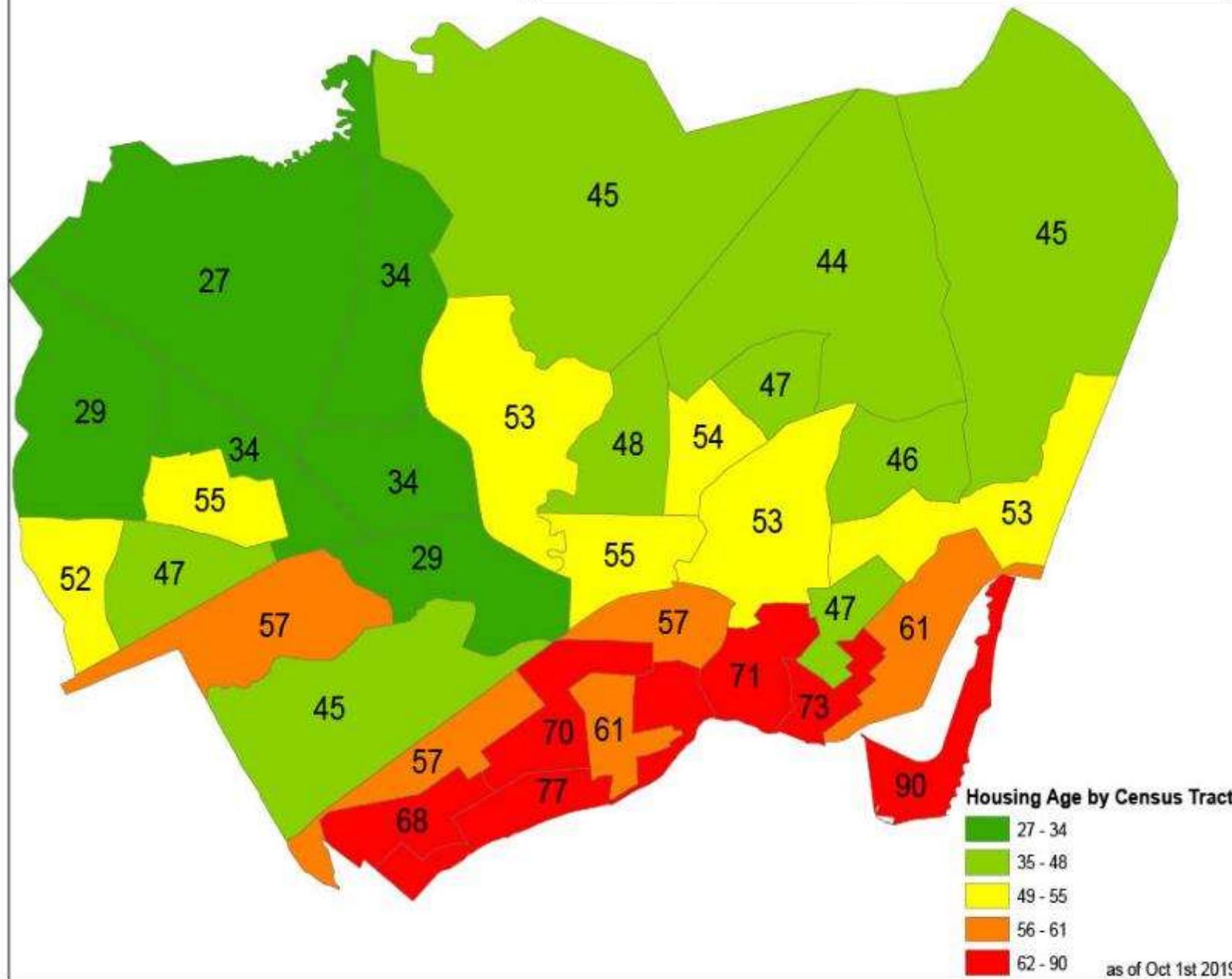


2017 ACS

Age of Housing Structures



Average Age of Housing Stock by Census Tract





SINGLE FAMILY MARKET

Hampton &
Hampton Roads
Metro Area Data

SINGLE FAMILY MEDIAN HOME VALUE

\$187,700

HAMPTON

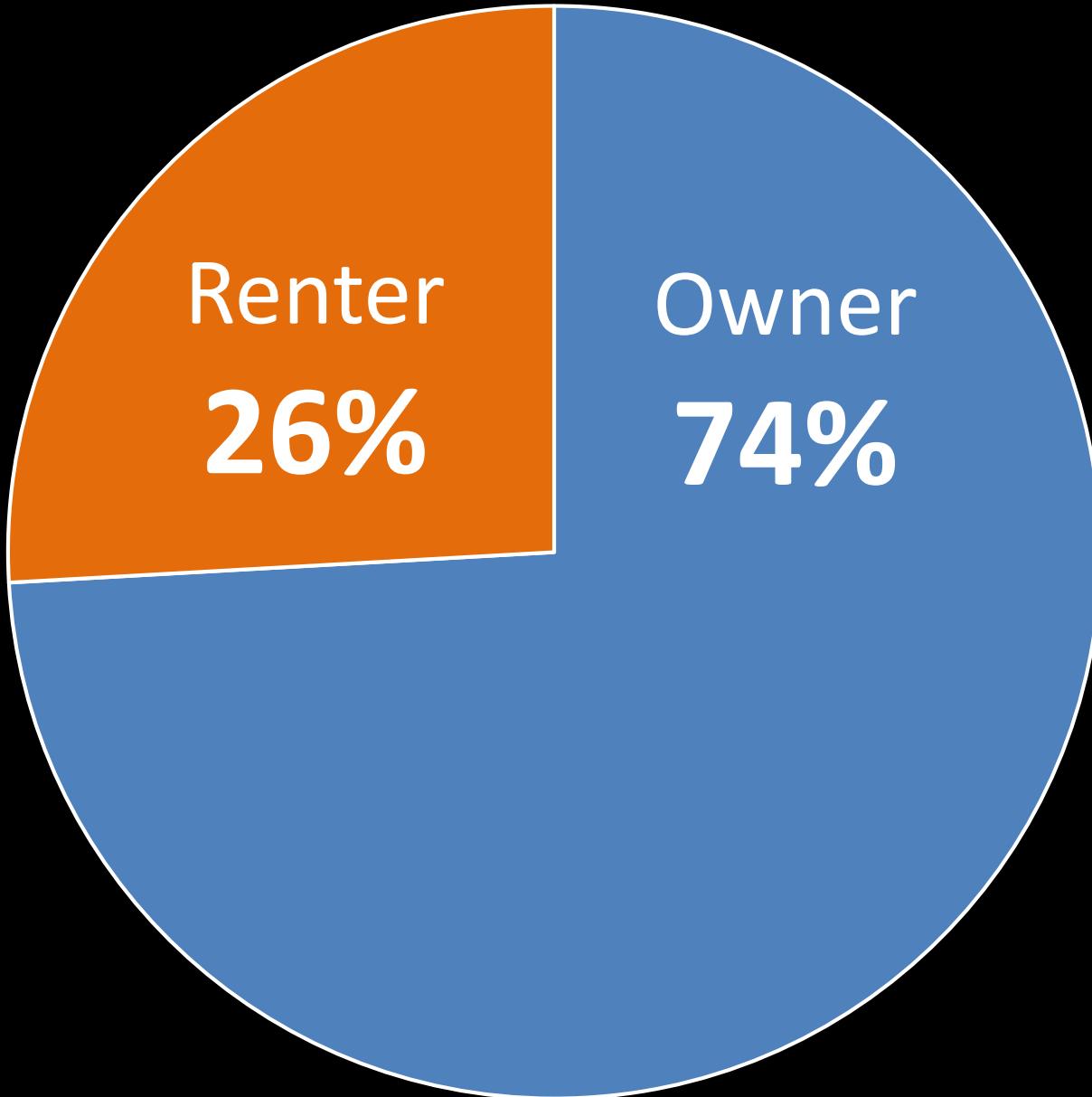
\$235,000

HAMPTON ROADS

-26% Difference

2016 Census ACS 5yr Estimates

Hampton Single Family



2017 ACS

SINGLE FAMILY



Hampton
71% Total
(75% Own / 25% Rent)

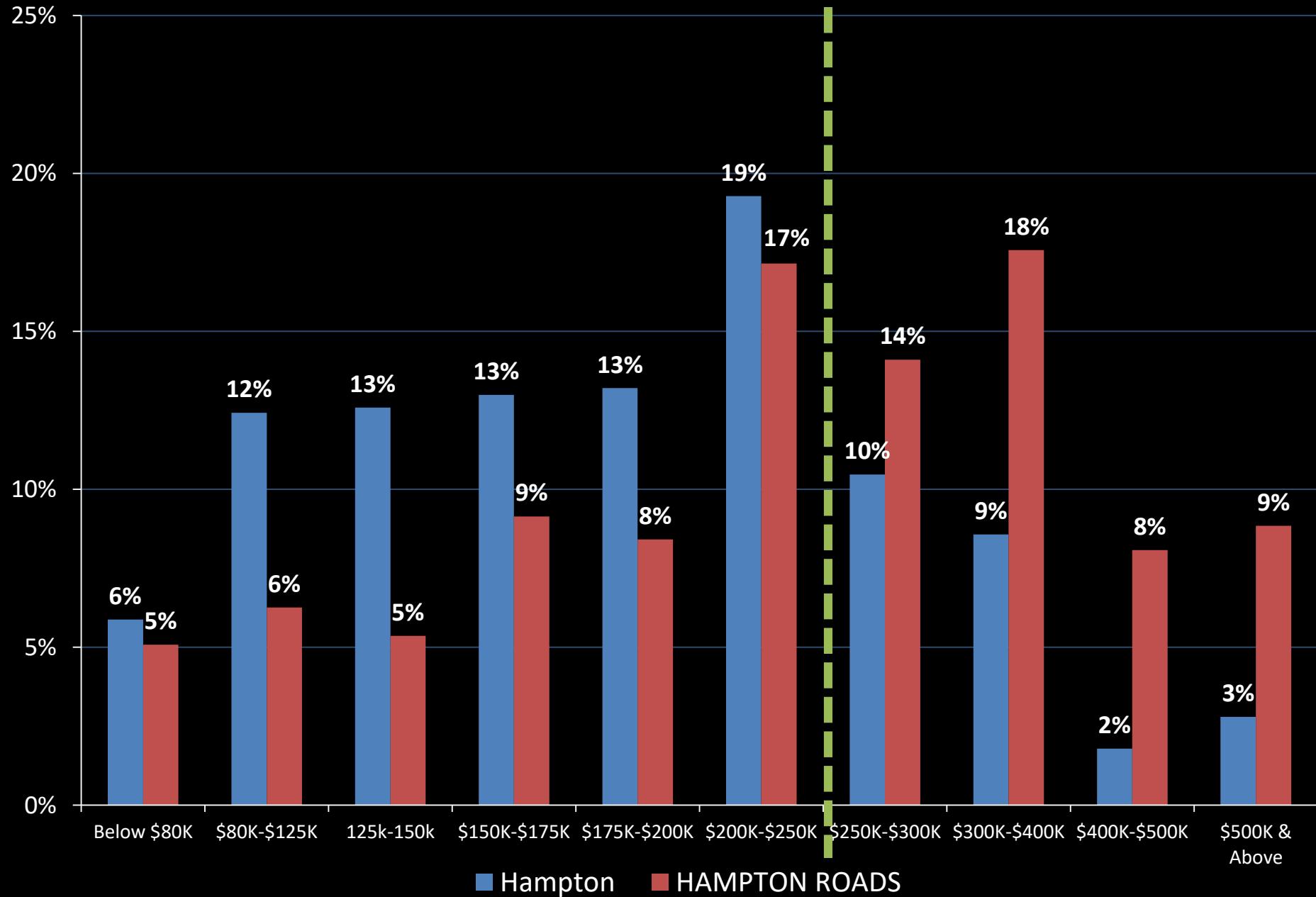
Hampton Roads
73% Total
(79% Own / 21% Rent)

Newport News
60% Total
(75% Own / 25% Rent)

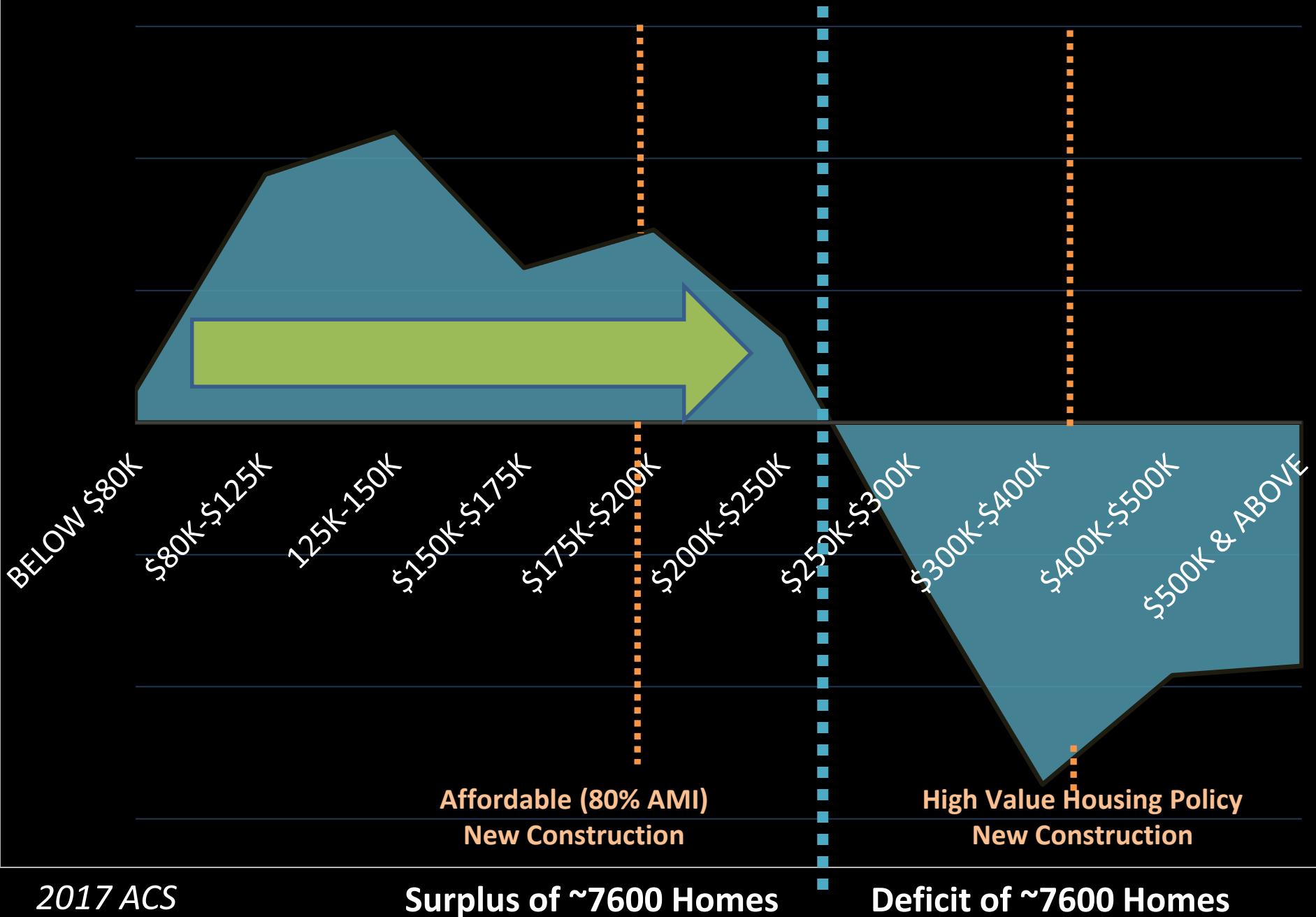
Norfolk
57% Total
(70% Own / 30% Rent)

Va Beach
75% Total
(81% Own / 19% Rent)

Hampton v Regional Avg: Single Family Ownership (Unit Values)



Hampton v Regional Avg: Single Family Ownership (Value Gaps)





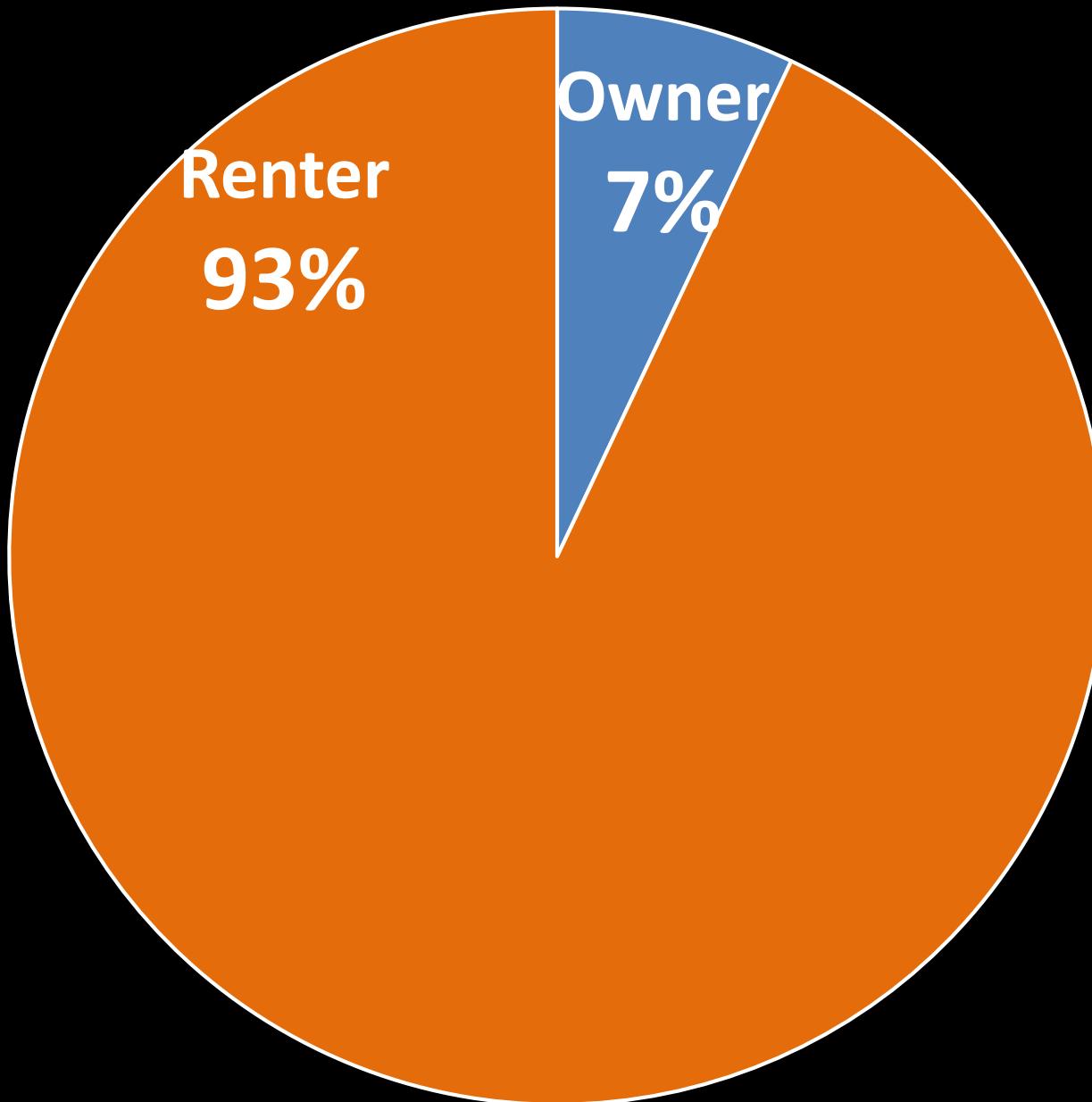
To meet average value in the region, Hampton would need to increase values of at least **7600 owner-occupied Homes (approx. 2.9 sq miles)** to more than \$250,000



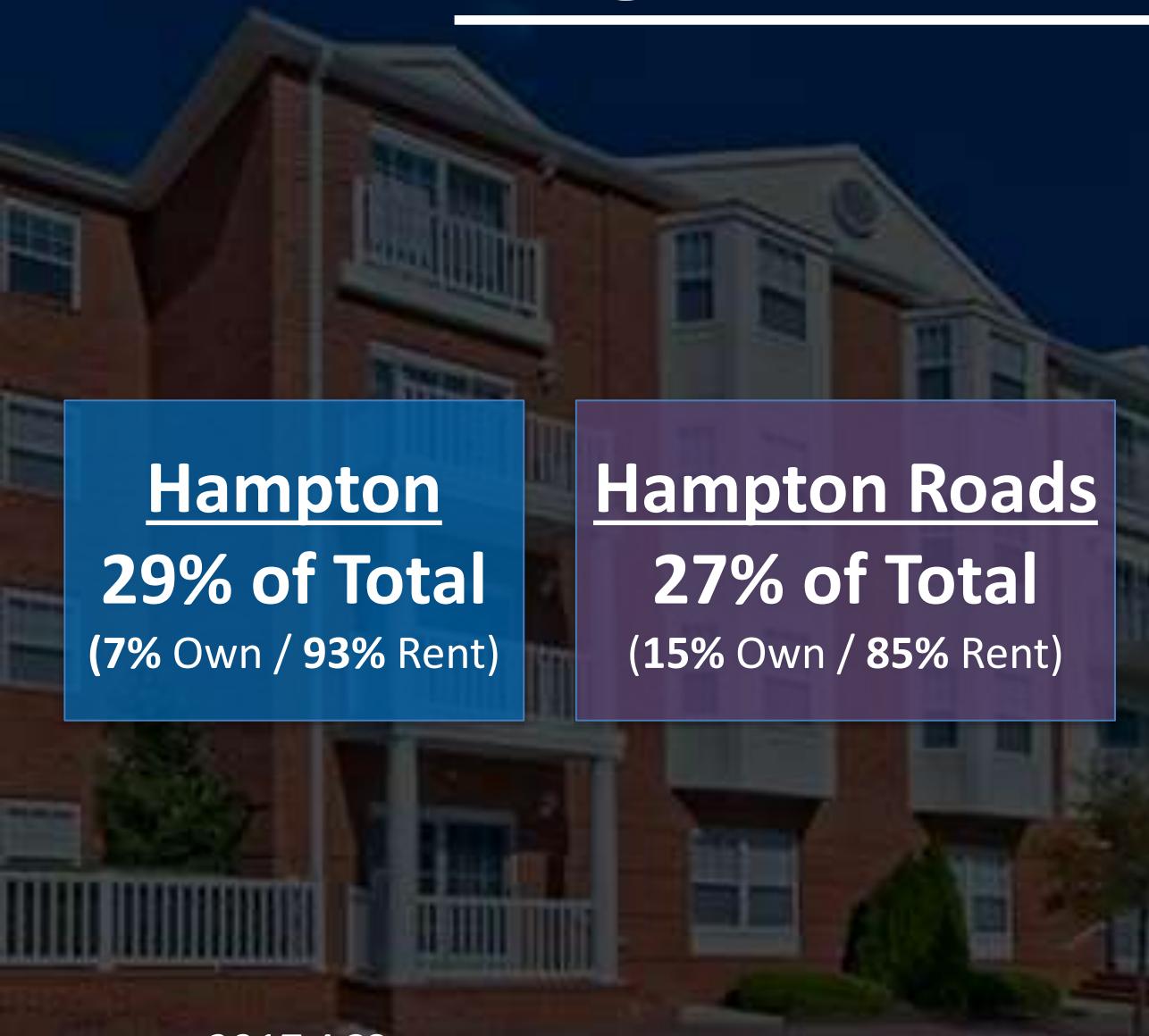
MULTI-FAMILY MARKET

Hampton &
Hampton Roads
Metro Area Data

Hampton Multi-Family



MULTIFAMILY



Hampton

29% of Total
(7% Own / 93% Rent)

Hampton Roads

27% of Total
(15% Own / 85% Rent)

Newport News

40% of Total

(12% Own / 88% Rent)

Norfolk

43% of Total

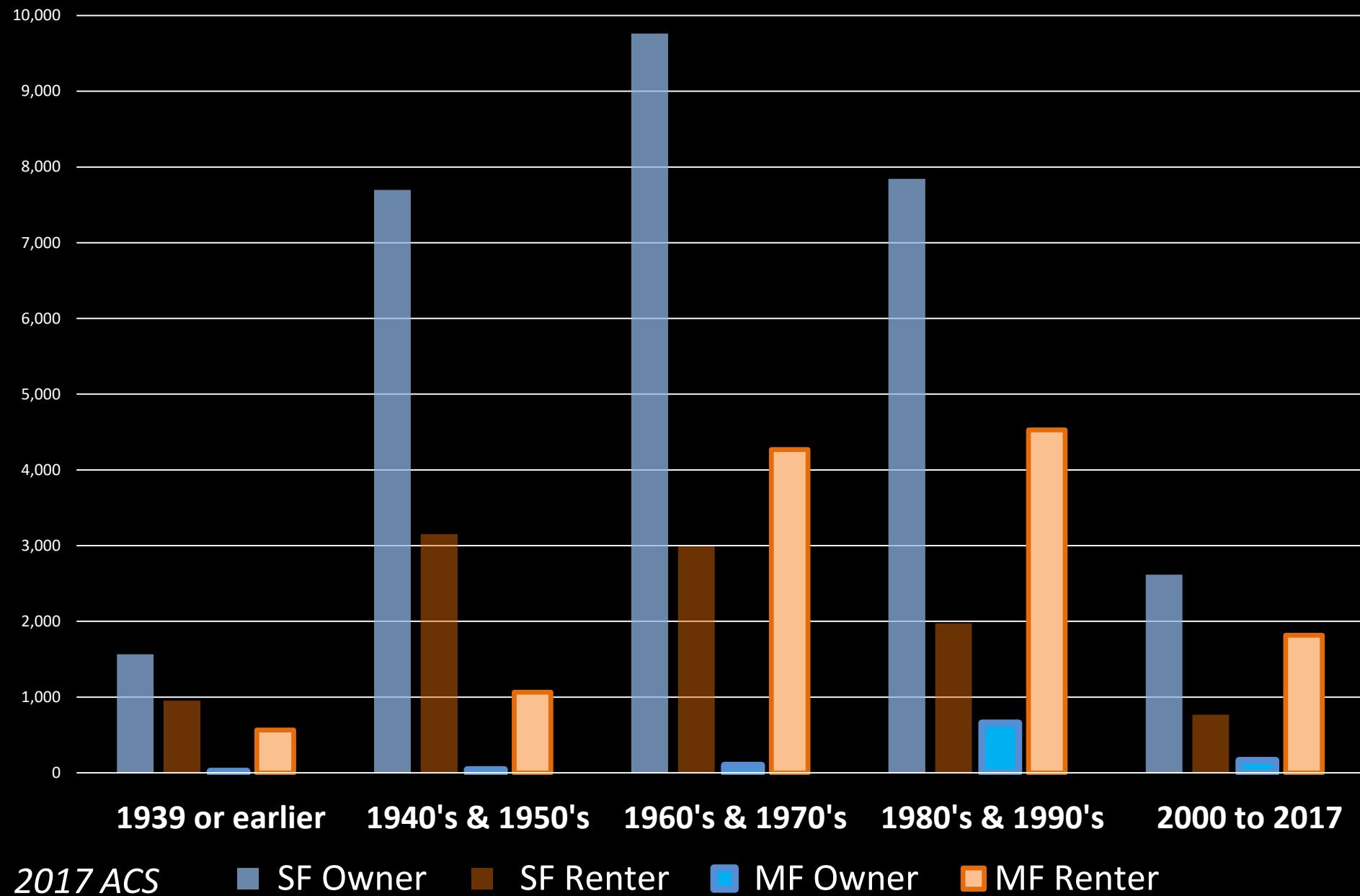
(9% Own / 91% Rent)

Va Beach

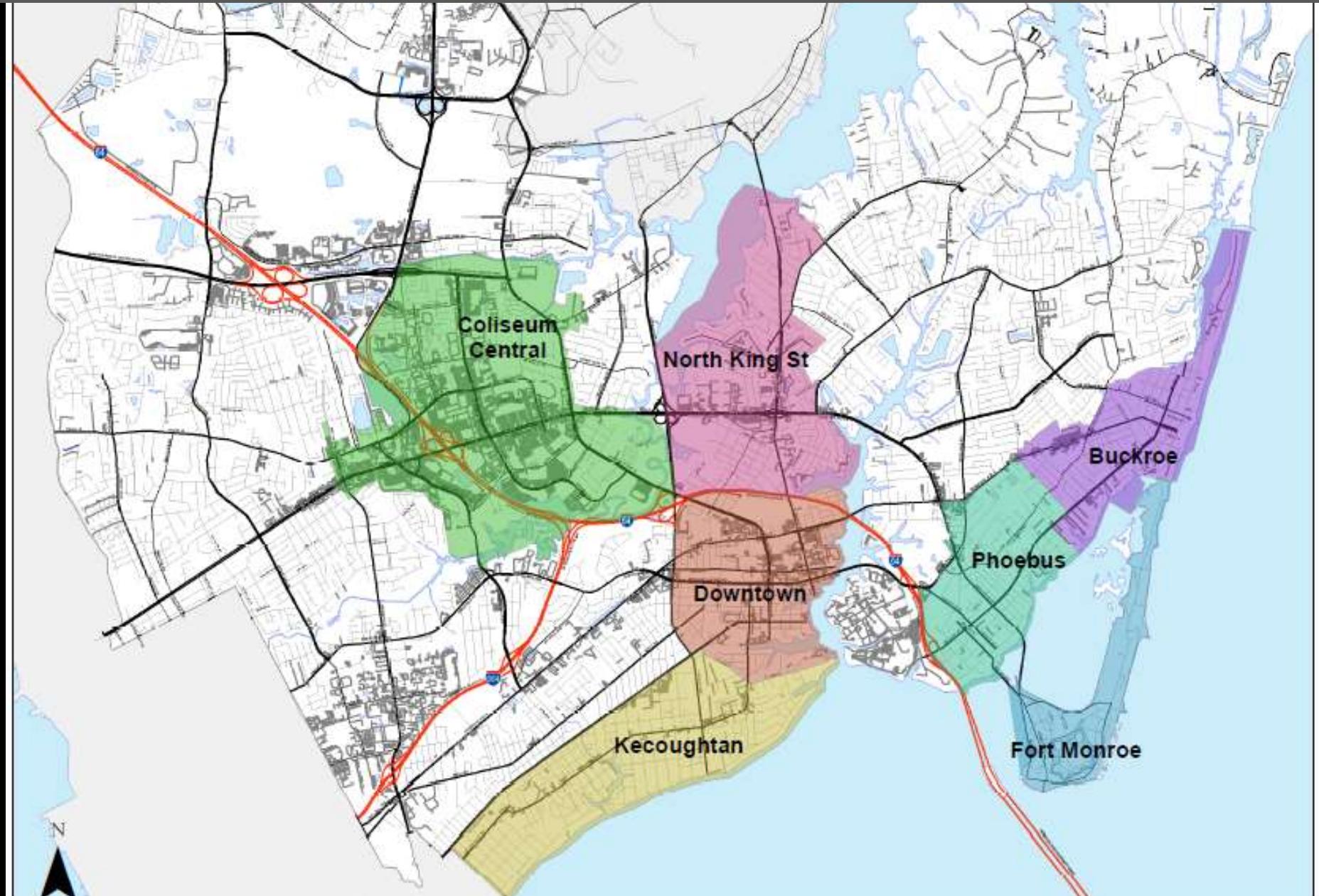
25% of Total

(16% Own / 84% Rent)

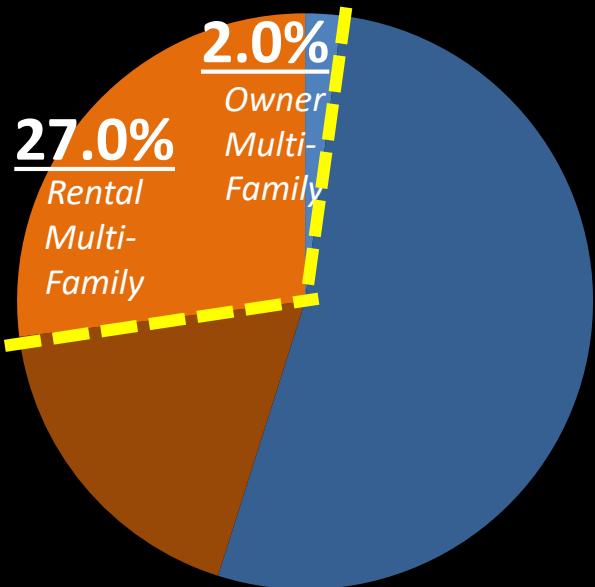
Age of Housing Structures



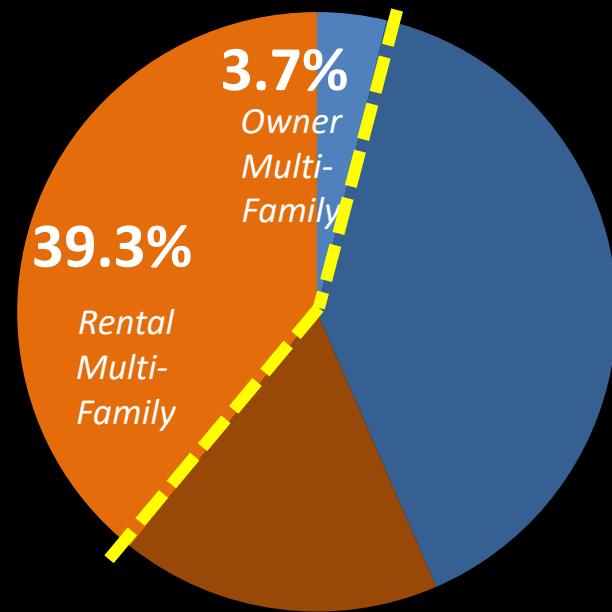
HAMPTON URBAN DEVELOPMENT AREAS



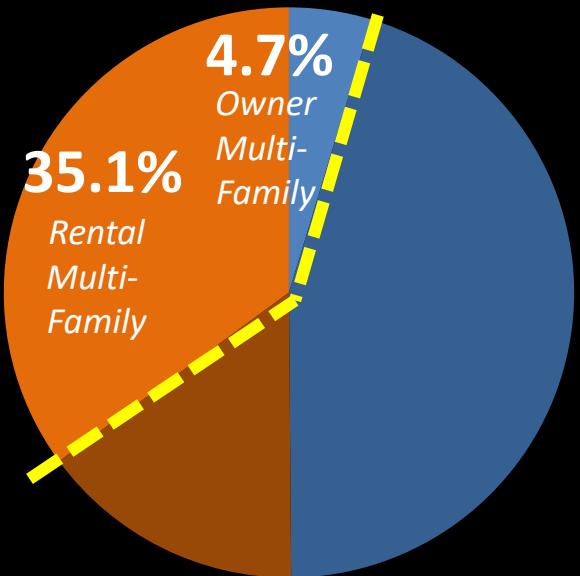
Hampton



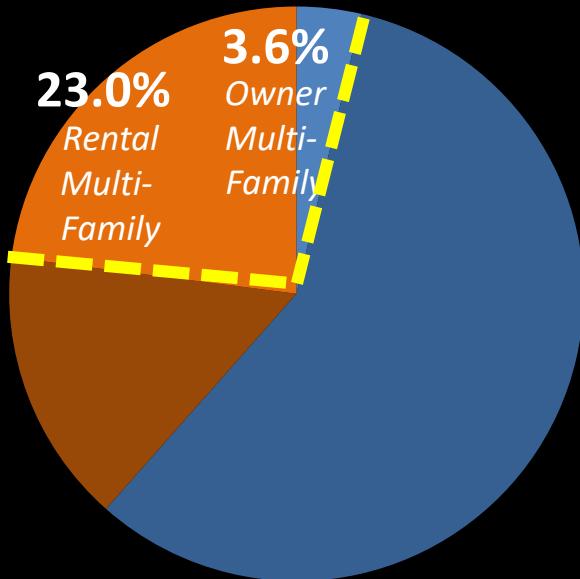
Norfolk



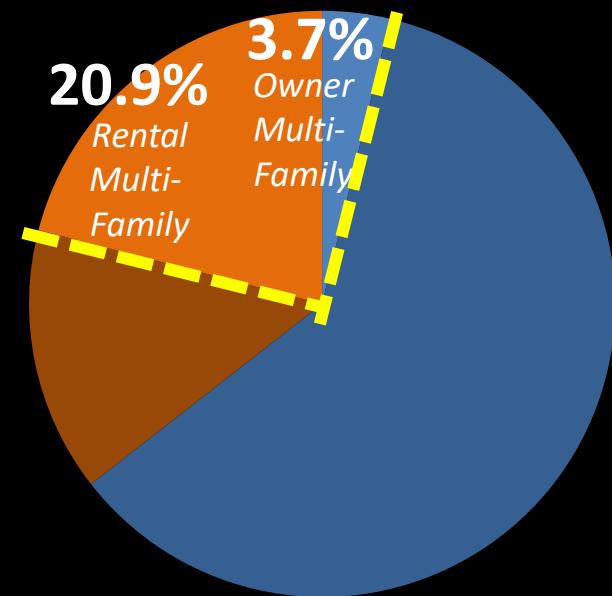
Newport News



HAMPTON ROADS



VA Beach



Multi-Family

2017 ACS



RENTAL MARKET

Hampton &
Hampton Roads
Metro Area Data

Hampton Owner/Renter (% of Total Units)

Renter Units

45%

Owner Units

55%

27.0%
*Rental
Multi-
Family*

18.1%
*Rental
Single
Family*

2.0%

*Owner
Multi
Family*

52.9%
*Owner
Single
Family*

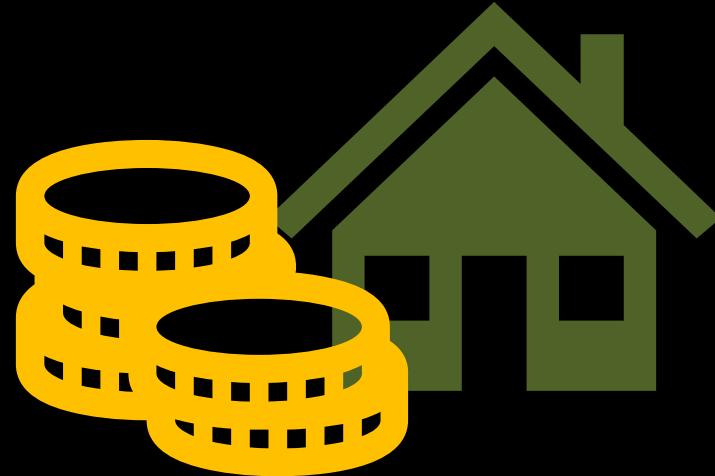
HAMPTON'S MEDIAN RENT

\$1,062

Hampton

\$1,124

HAMPTON
ROADS



-5.8%

Difference

2017 Census ACS

RENTAL HOUSING RATES

70% of Hampton's rental households are paying

\$750-\$1,499/mo

27% of Rentals:

\$750-\$999

43% of Rentals:

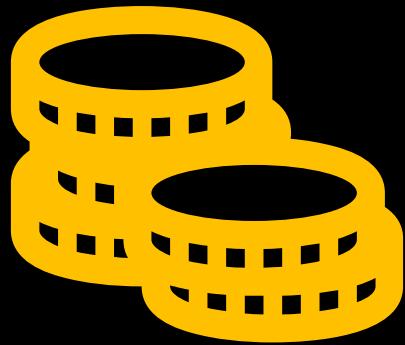
\$1,000-\$1,499



ASSESSING OUR HOUSING DEMANDS

*Incomes, Rent
Rates, Assistance,
Growth*

HAMPTON'S INCOME & AGE DATA



\$52,021

Median

\$61,889

Hampton
Roads



35.8 yo
Median Age

35.7

Hampton
Roads



\$50,000



Hampton
households making
less than \$50,000,

29% RENT

21% OWN

Hampton
households making
more than \$50,000,

36% OWN

14% RENT



\$50,000



Hampton Roads
households making
less than \$50,000,
23% RENT
17% OWN

Hampton Roads
households making
more than \$50,000,
45% OWN
15% RENT

Millennials & (Young) Gen X



Hampton has
more than the
region's average of
25-44 year olds
earning either
\$20-\$75k &
\$100-149k

Gen-X & (Young) Boomer



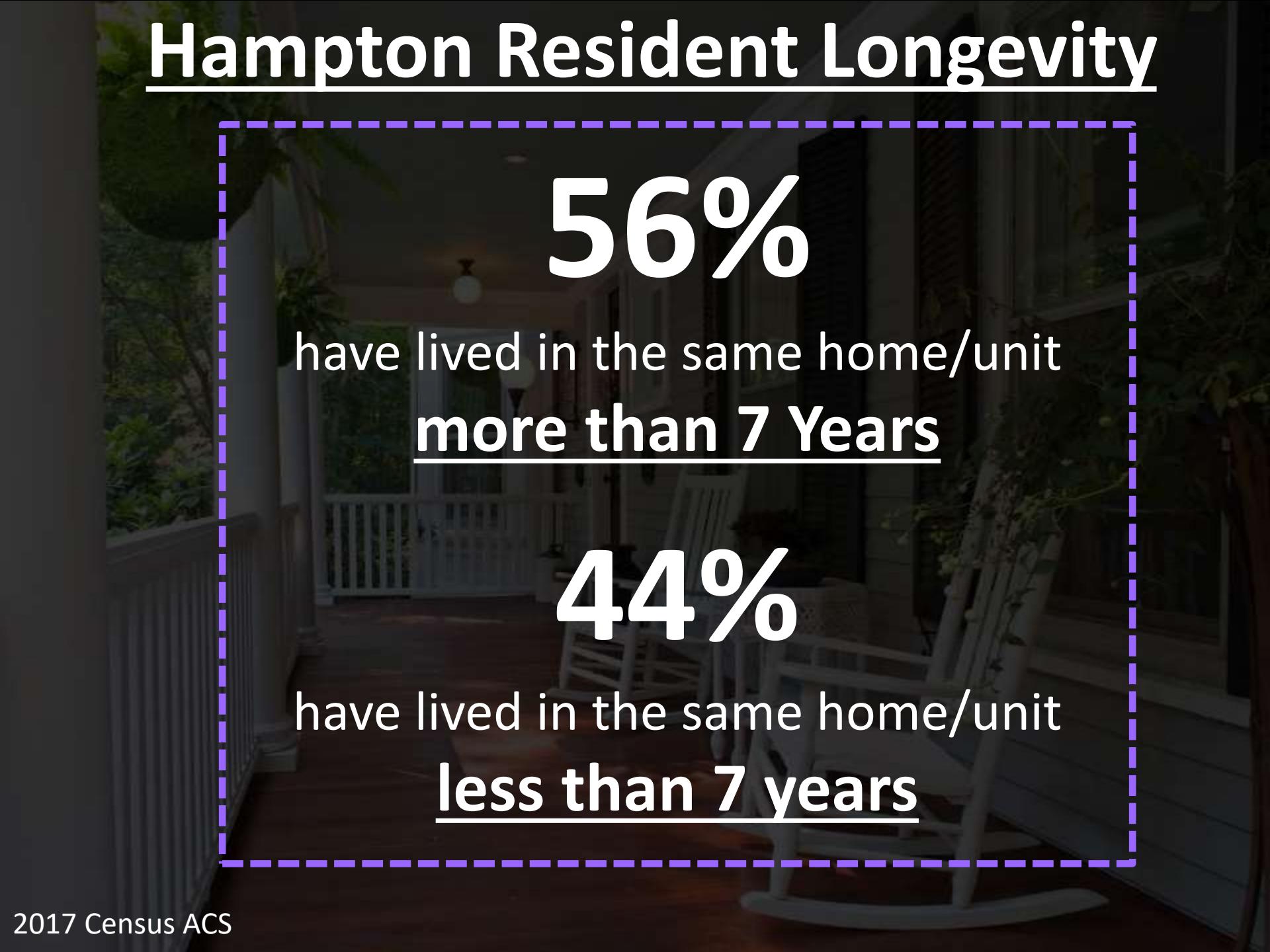
Hampton has
below the
region's average of
45-65 year olds
earning over
\$100k

Boomers & Traditionalist



Hampton has
more than the
region's average of
65 year olds
earning
less than \$75k

Hampton Resident Longevity

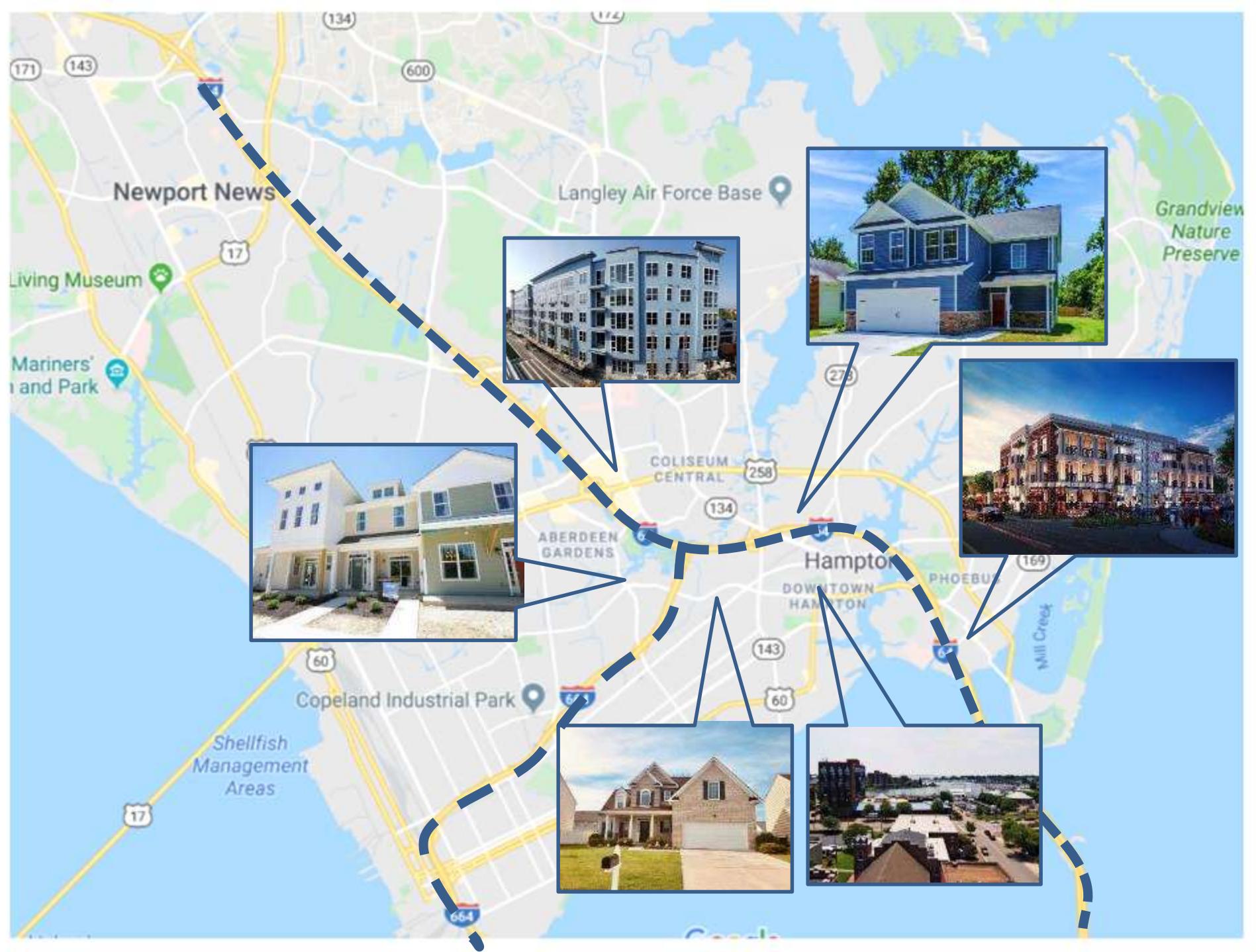


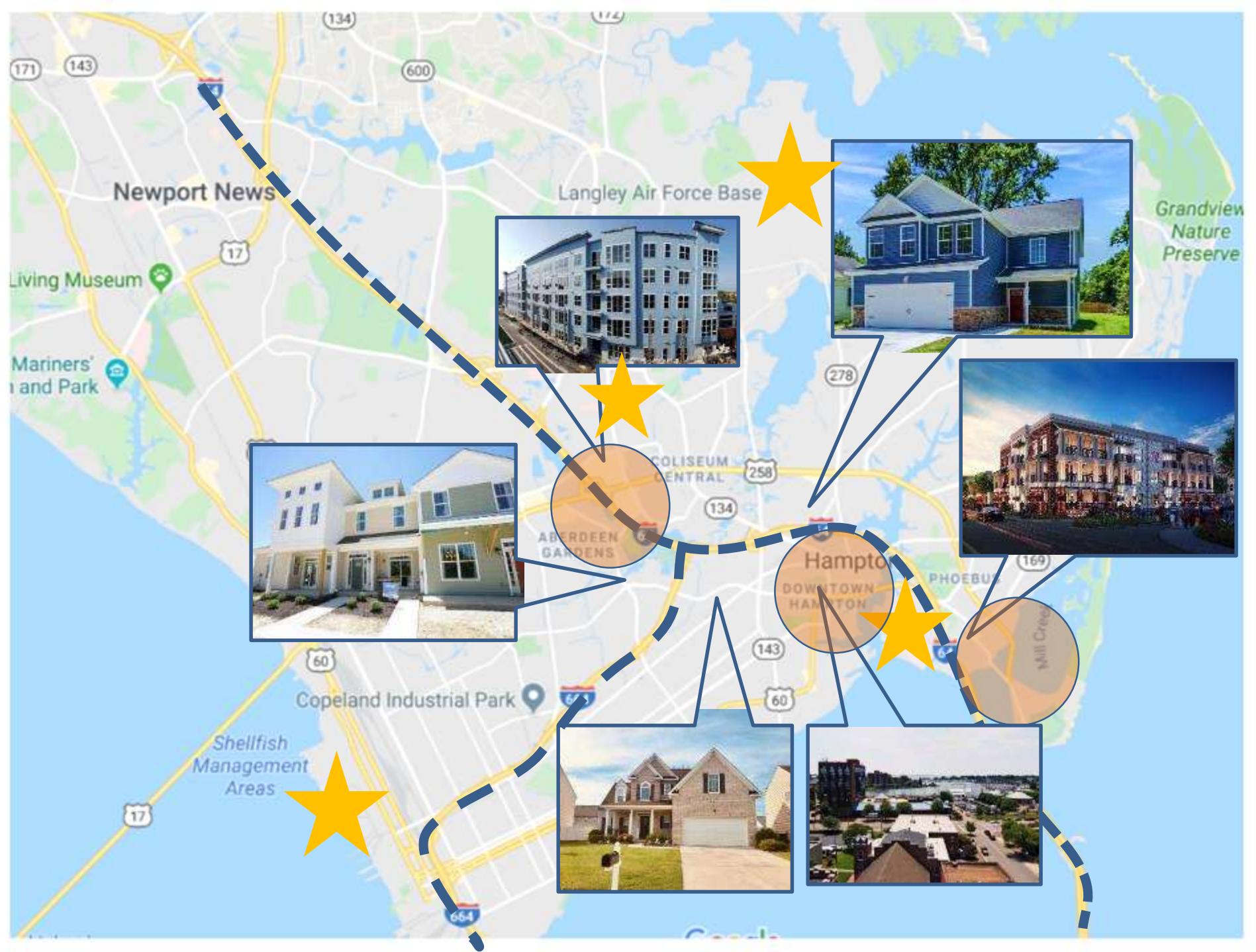
56%

have lived in the same home/unit
more than 7 Years

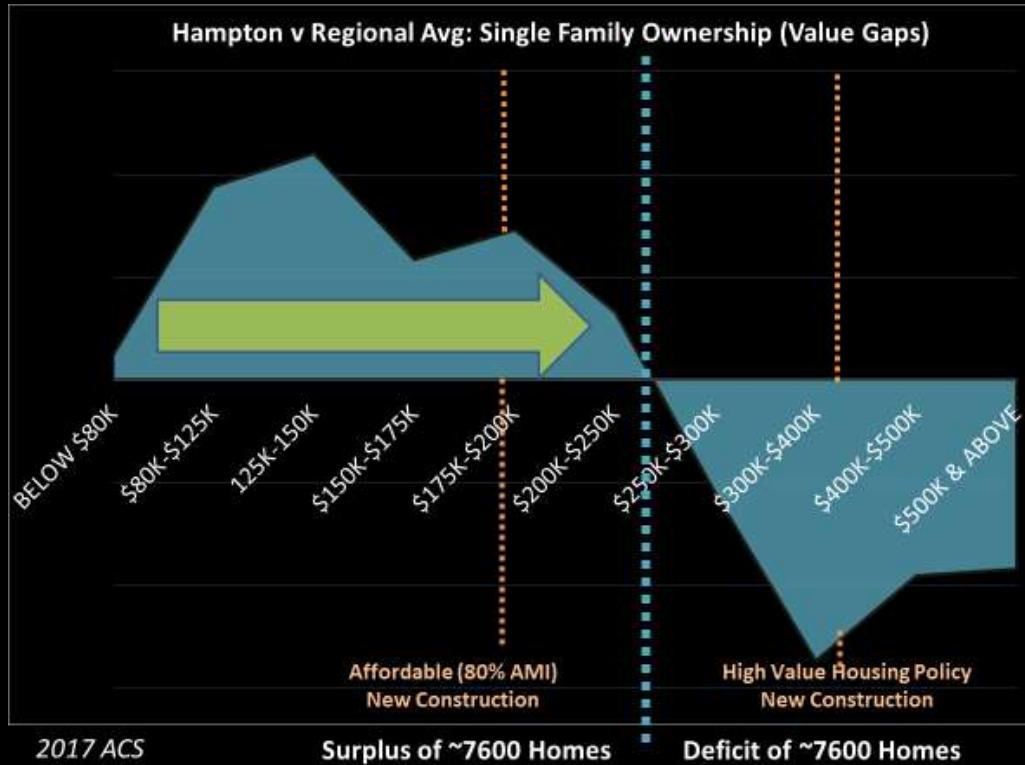
44%

have lived in the same home/unit
less than 7 years



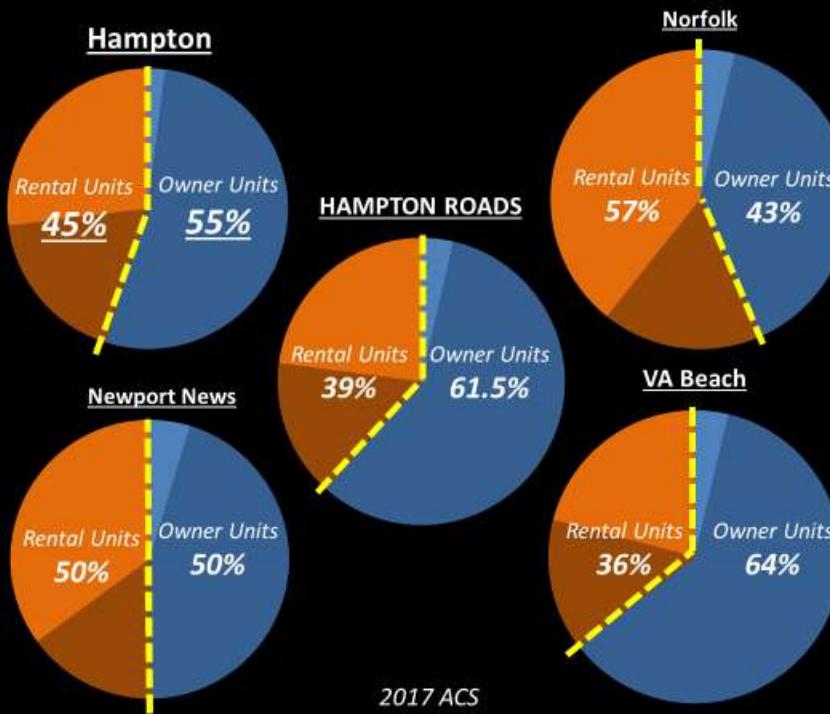


Key Data Insight: OWNERSHIP VALUE



The competitive slope to increase single family ownership value is steep (age, quality, community). It will require place-based strategies and momentum changing housing investments.

Key Data Insights: HOUSING MIX



Multi-family quantity (including ownership) remains lower than other core cities (*NN, Norf, Port*). Single-family proportion is proportionate to more suburban cities (*VB, Ches, Poqu, Wbrg*) but ownership remains lower.

Key Data Insight: AFFORDABILITY

SINGLE FAMILY MEDIAN HOME VALUE



\$187,700
HAMPTON

\$235,000
HAMPTON ROADS

-26% Difference

2016 Census ACS 5yr Estimates

HAMPTON'S MEDIAN RENT



\$1,062
Hampton



\$1,124
HAMPTON
ROADS

-5.8%
Difference

2017 Census ACS

Lower single-family home values do not mean that housing is affordable, but rather that it faces challenges (repairs, location, structure). Home value does not necessarily equate to rental affordability in a competitive rental market.

Key Data Insight: MARKETS & FOCUS



Increases in defense spending and older populations means increased opportunities for upper income rental markets and quality senior housing. Ownership markets are trending towards first-time and location-driven buyers.

Key Data Insight: WATCH & EXPLORE



1. Defining Hampton's healthy mix of housing for the next generations
2. The influence of Hampton City School & economic success on housing investment
3. Measure impact of investments in development areas
4. Understand our unique patterns of housing, economic growth, & transportation



ASSISTED HOUSING

Hampton &
Hampton Roads
Metro Area Data

What is “Affordable”

Housing that those making any income can afford to buy/rent (spending less than 30% of your income)

Federal “Affordable” Housing

Housing in which those making near/below average incomes can “afford.”

- Making less than 80% of Area Median Income (AMI)
 - AMI = \$79,300 (4xHH)
 - 80% AMI = \$63,450 (4xHH)
 - 30% AMI = \$25,750 (4xHH) (“Extremely Low Income”)
- Spend less than 30% of their income on housing



“Linda Gregory”

- 1 person, 72yo
- **<\$44,450**
- Retired from Shipyard
- Assoc. Degree
- Arts & “Foodie”



“The Greenes”

- 2 ppl, 59yo
- **<\$50,800**
- Fulltime Retail Manager & Disabled (SSI)
- Science & Gardening



“The Krafts”

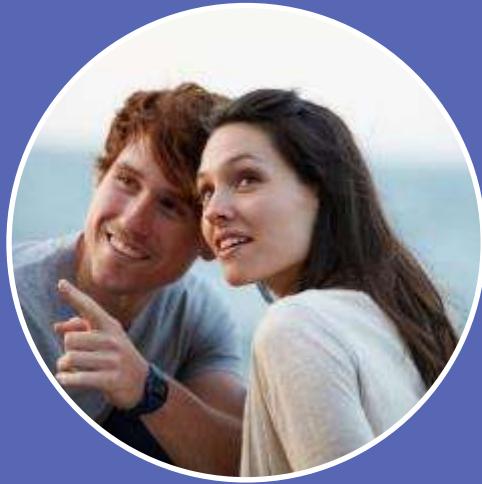
- 4 ppl (67, 35, 15, 11yo)
- **<\$63,450**
- Retired Civil Service
- Bachelor Degree
- Sports & Beach

Who qualifies in 2019?



“Tom Jones”

- 1 person, 26yo
- **<\$44,450**
- City Planner
- Masters Degree Urban Design
- Arts & “foodie”



“The Collins”

- 2 ppl, 32yo
- **<\$50,800**
- Full Landscaper & Part Time Yoga instructor
- Biking & gardening



“The Rowes”

- 3 ppl (39, 15, 11yo)
- **<\$57,150**
- Business Manager
- Bach. Degree in Accounting
- Sports & beach

Who qualifies in 2019?

HAMPTON'S ASSISTED HOUSEHOLDS

Housing Voucher Households



41%

Disabled



21%

Elderly

Head of Household Average Age

Housing Voucher

47 average
years old

Public Housing

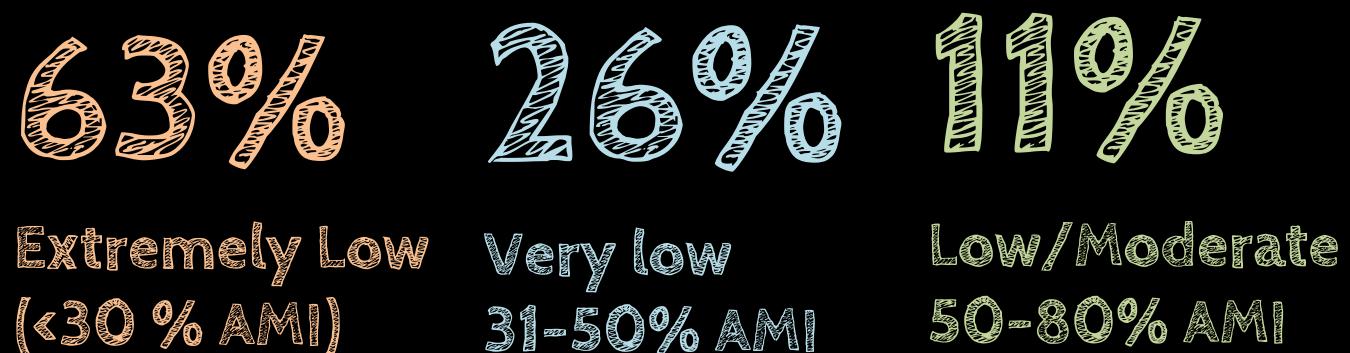
57 average
years old

HAMPTON'S ASSISTED HOUSEHOLDS

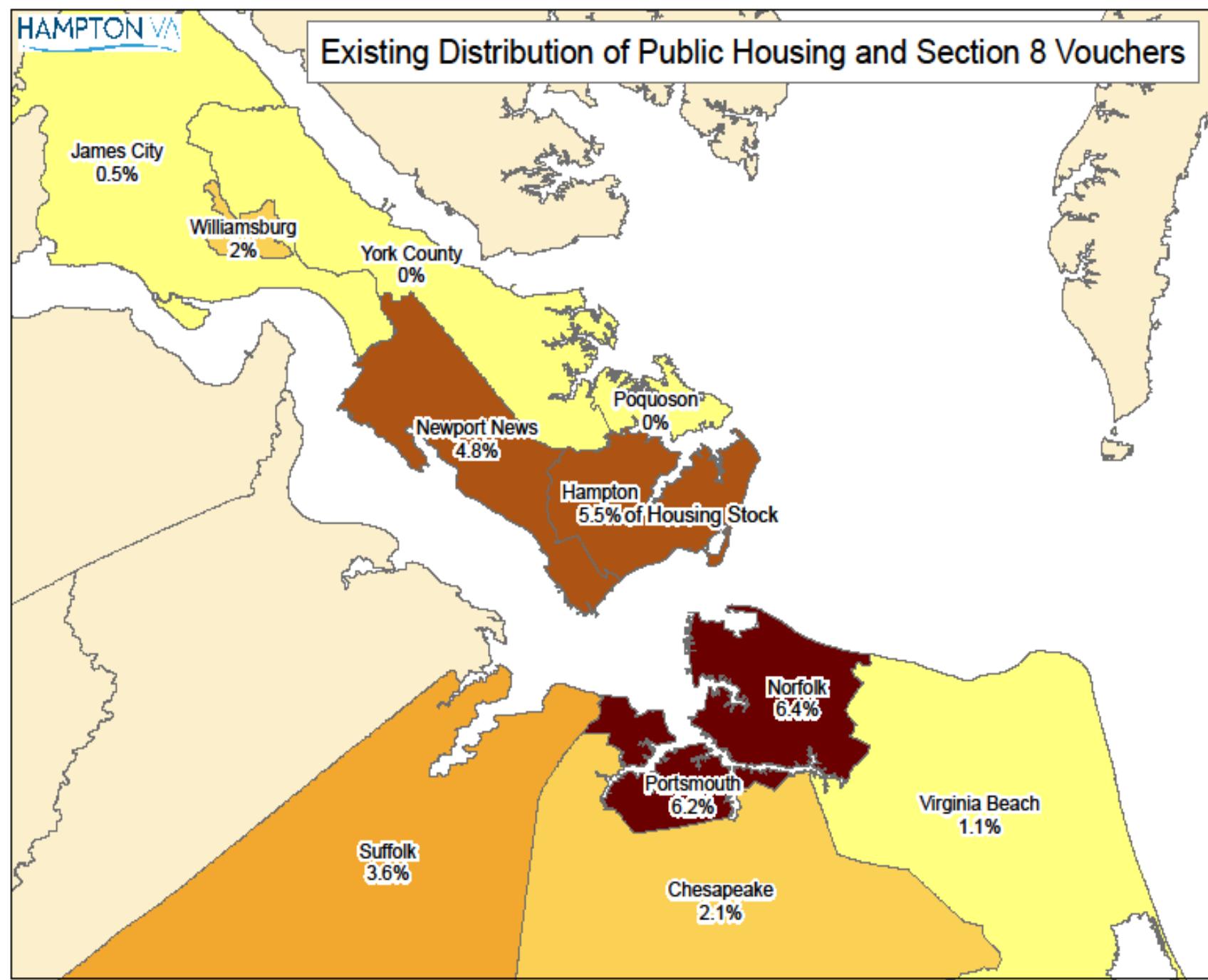
EMPLOYMENT



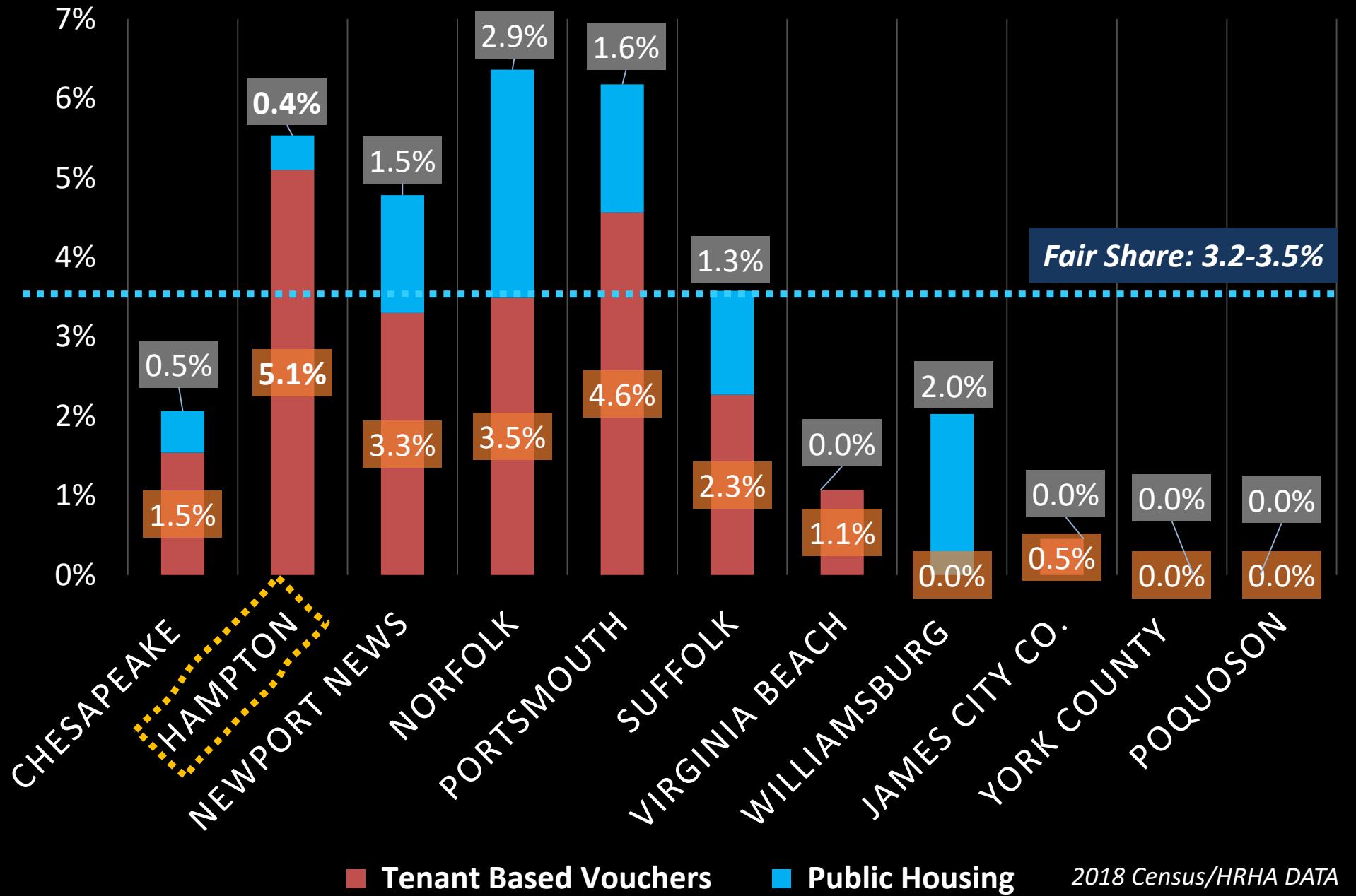
INCOME



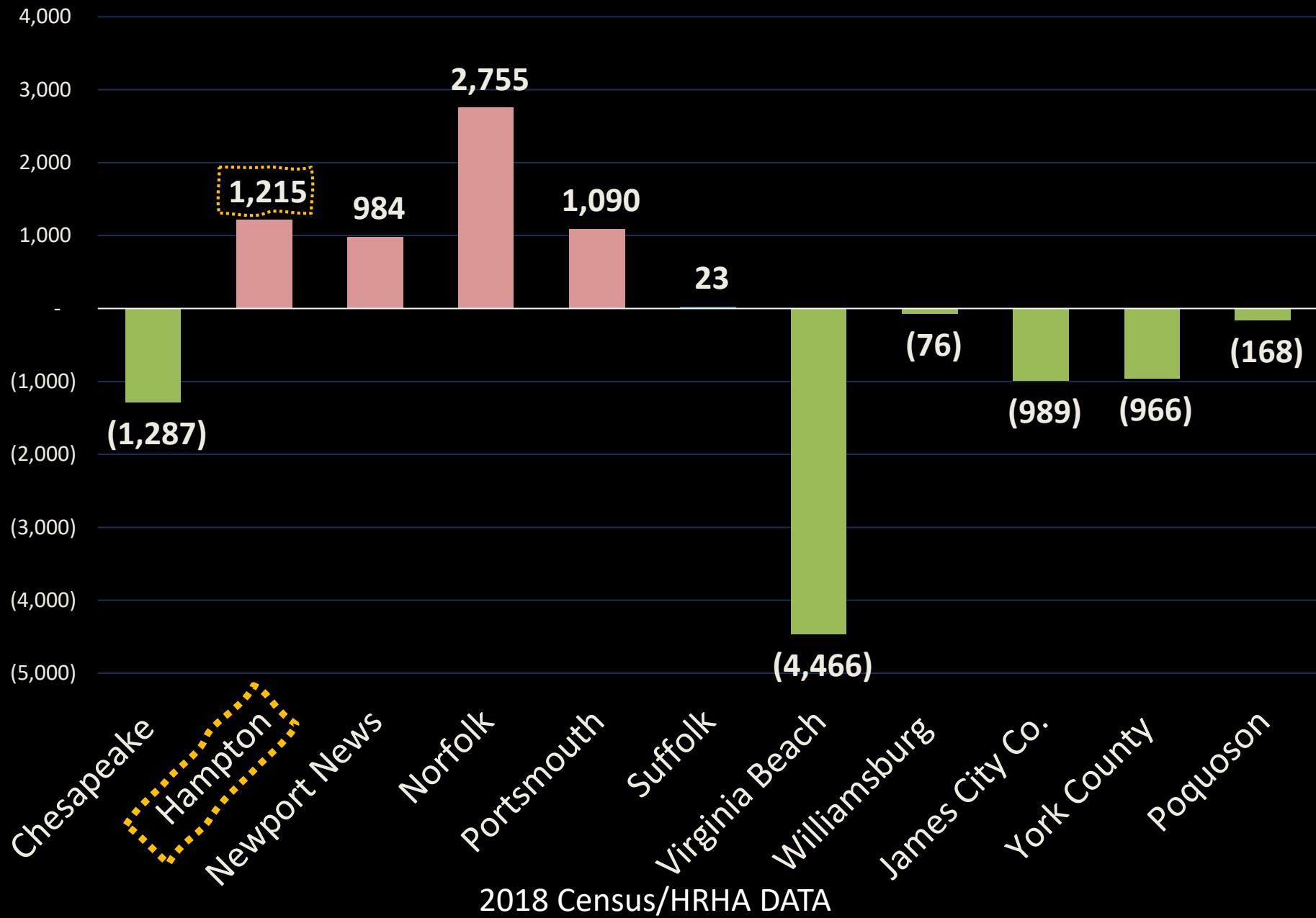
Existing Distribution of Public Housing and Section 8 Vouchers



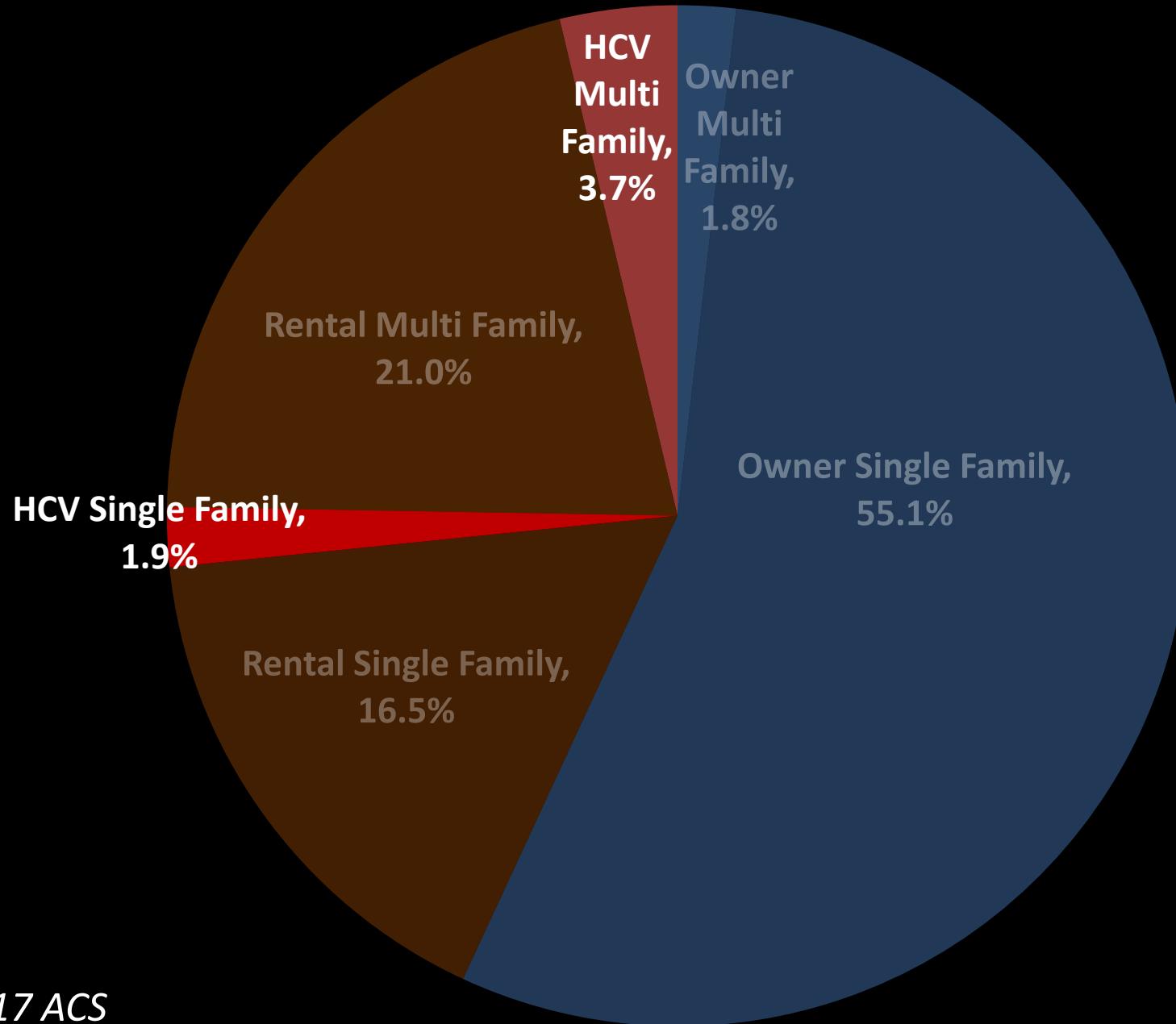
CURRENT SHARE OF ASSISTED HOUSING



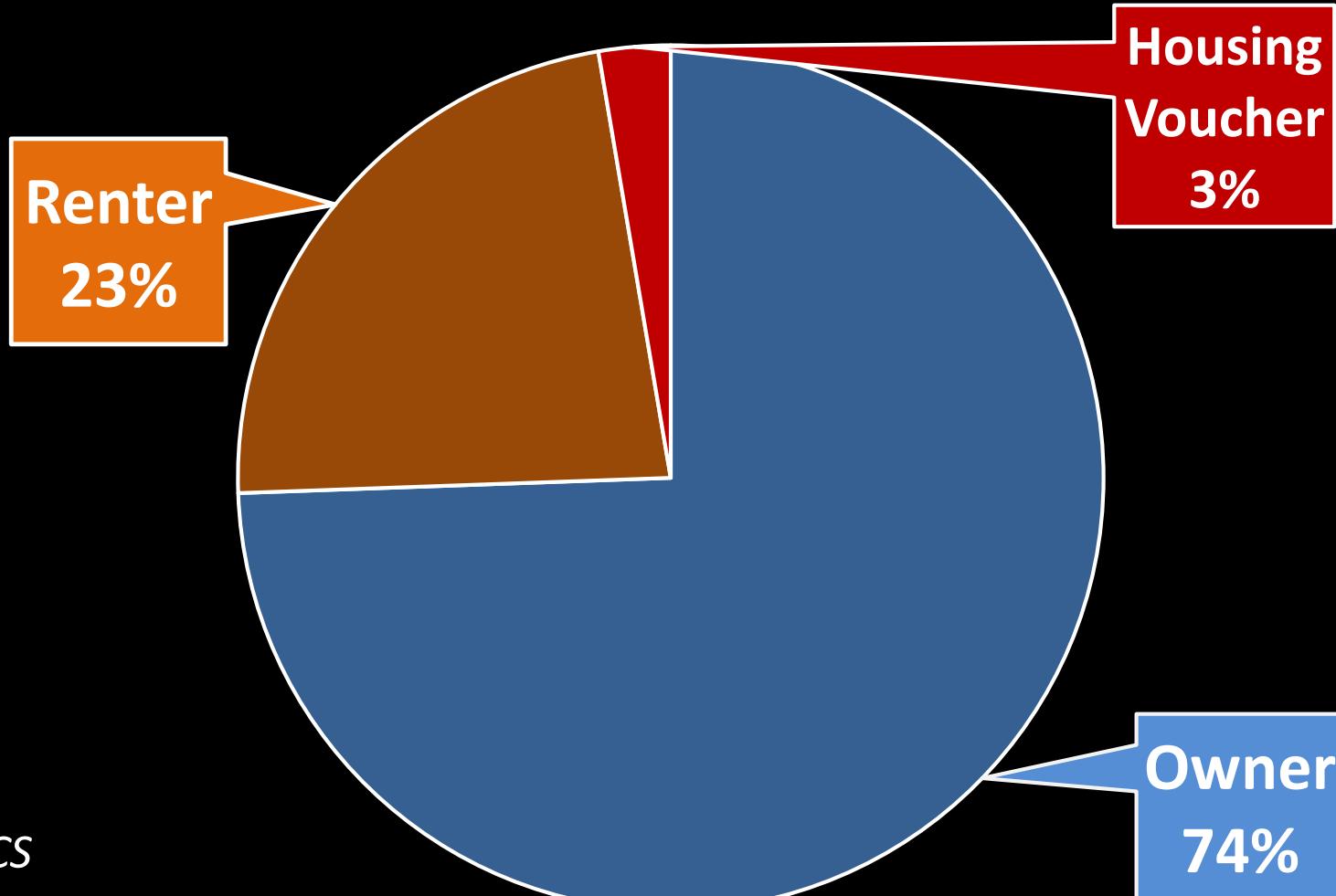
“Ideal” Fair Share of Assisted Housing



Hampton Owner/Renter (% of Total Units)

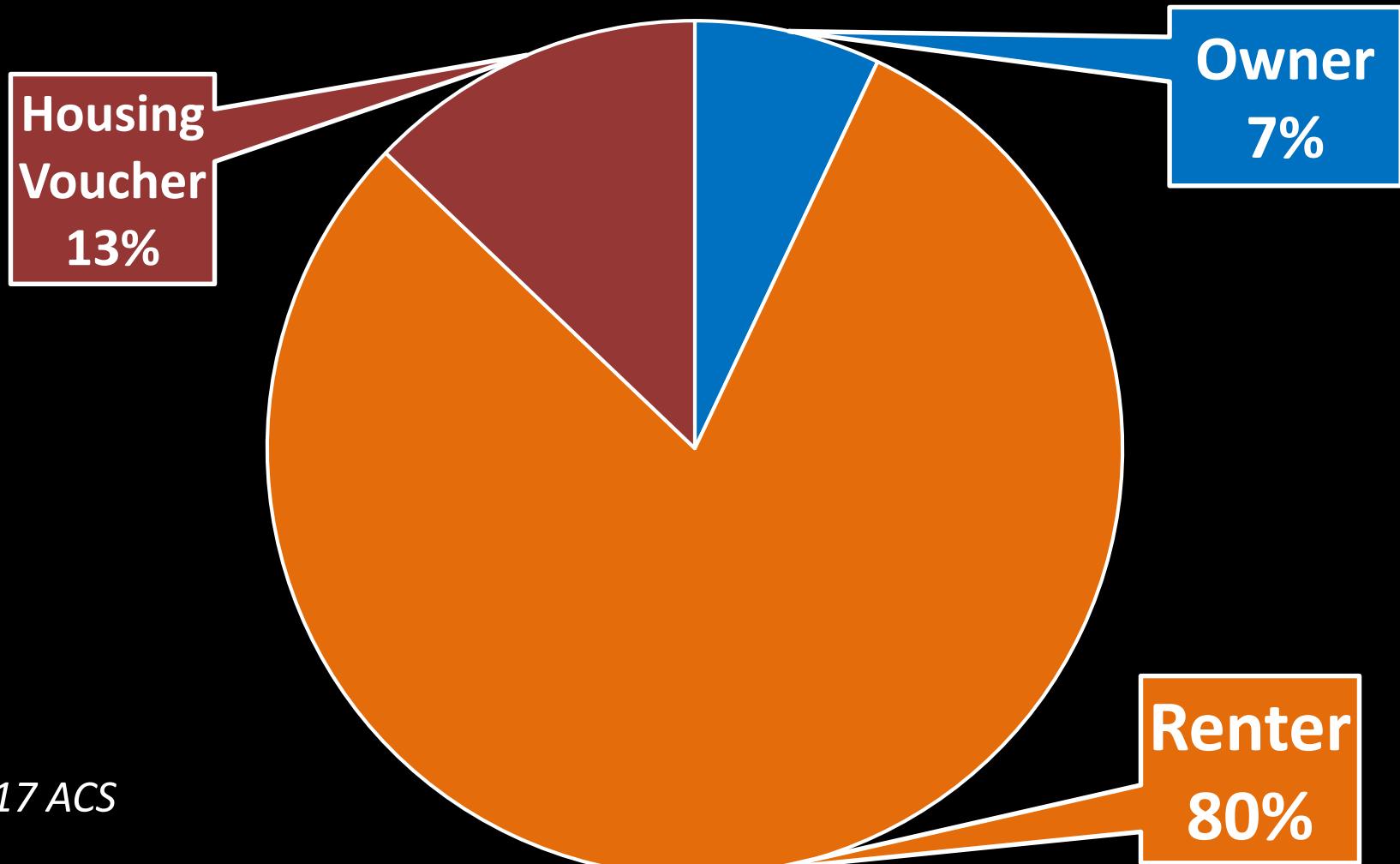


Single Family (Owner, Rental, HCV)



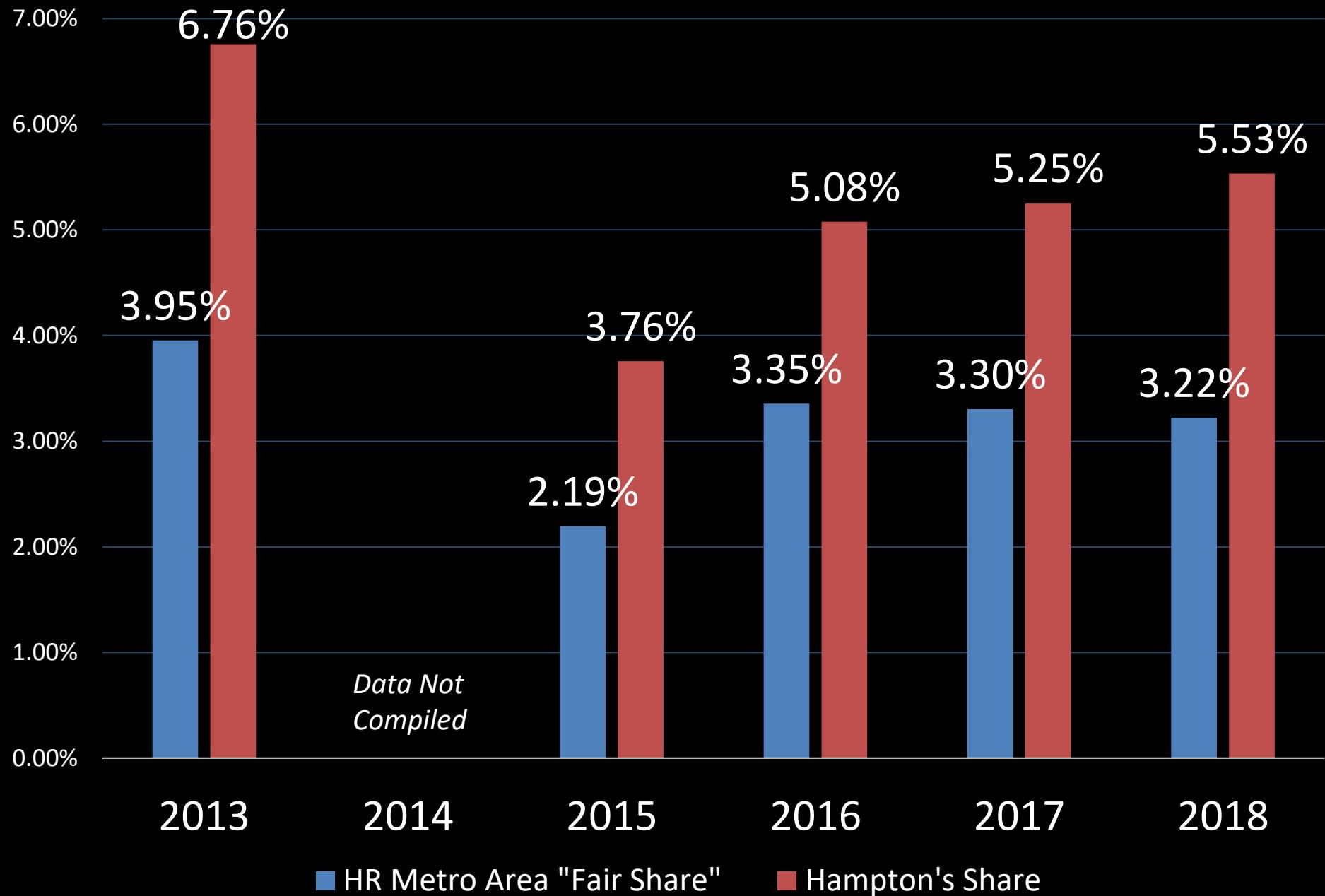
2017 ACS

Multi-Family (Owner, Rental, HCV)

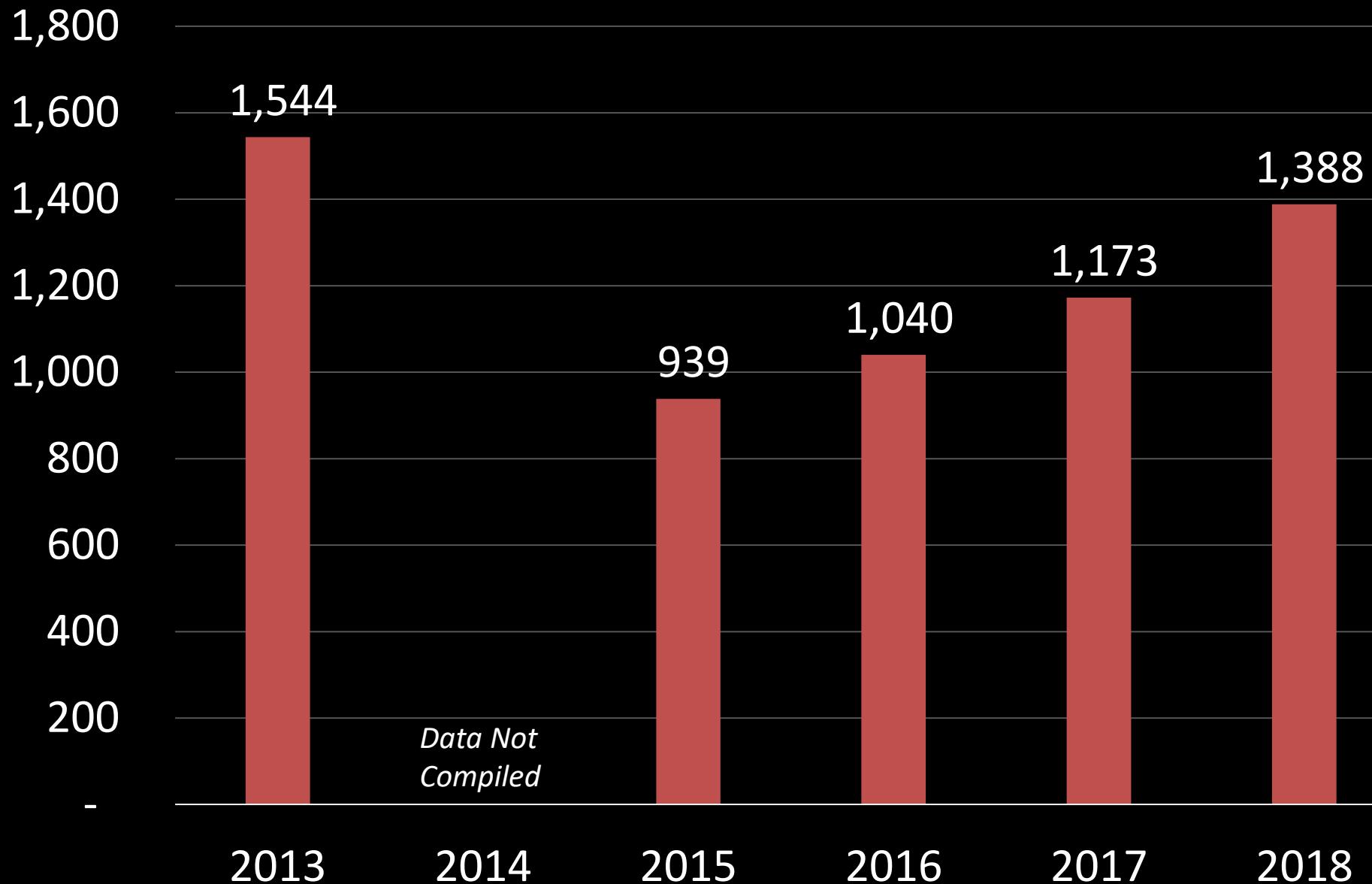


2017 ACS

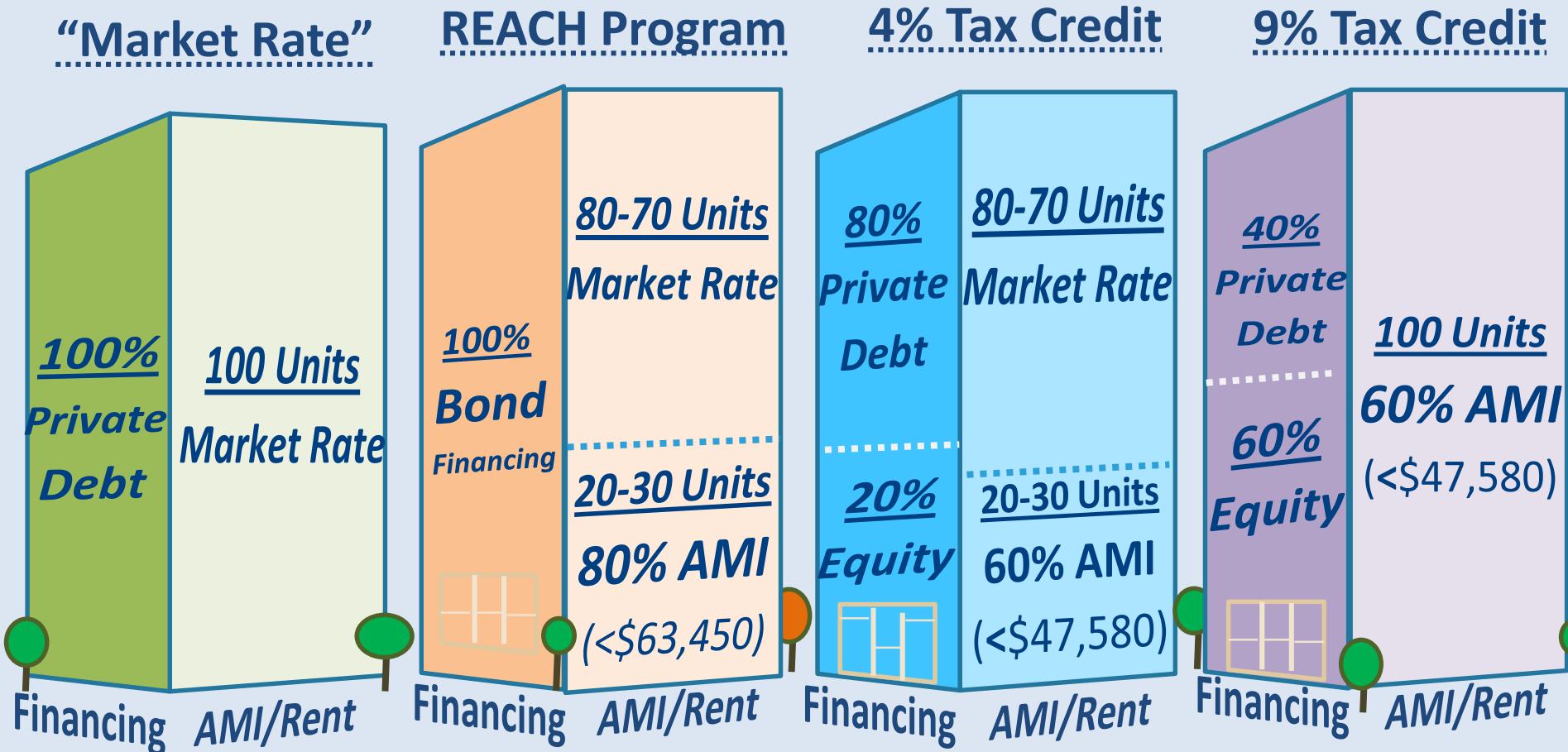
Hampton's Fair Share of Assisted Housing (%)



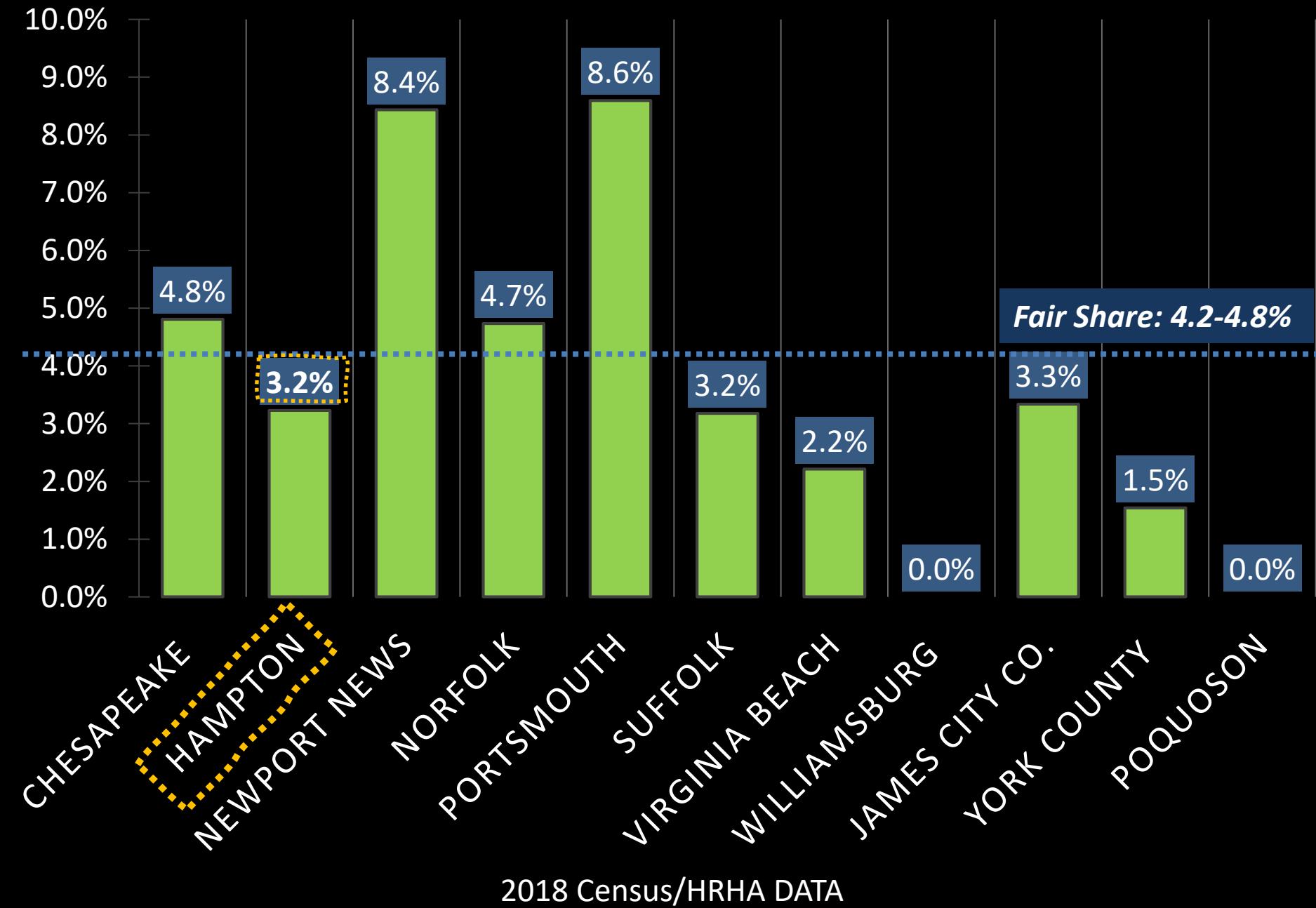
Hampton's Fair Share Excess (+/-) of Assisted Housing



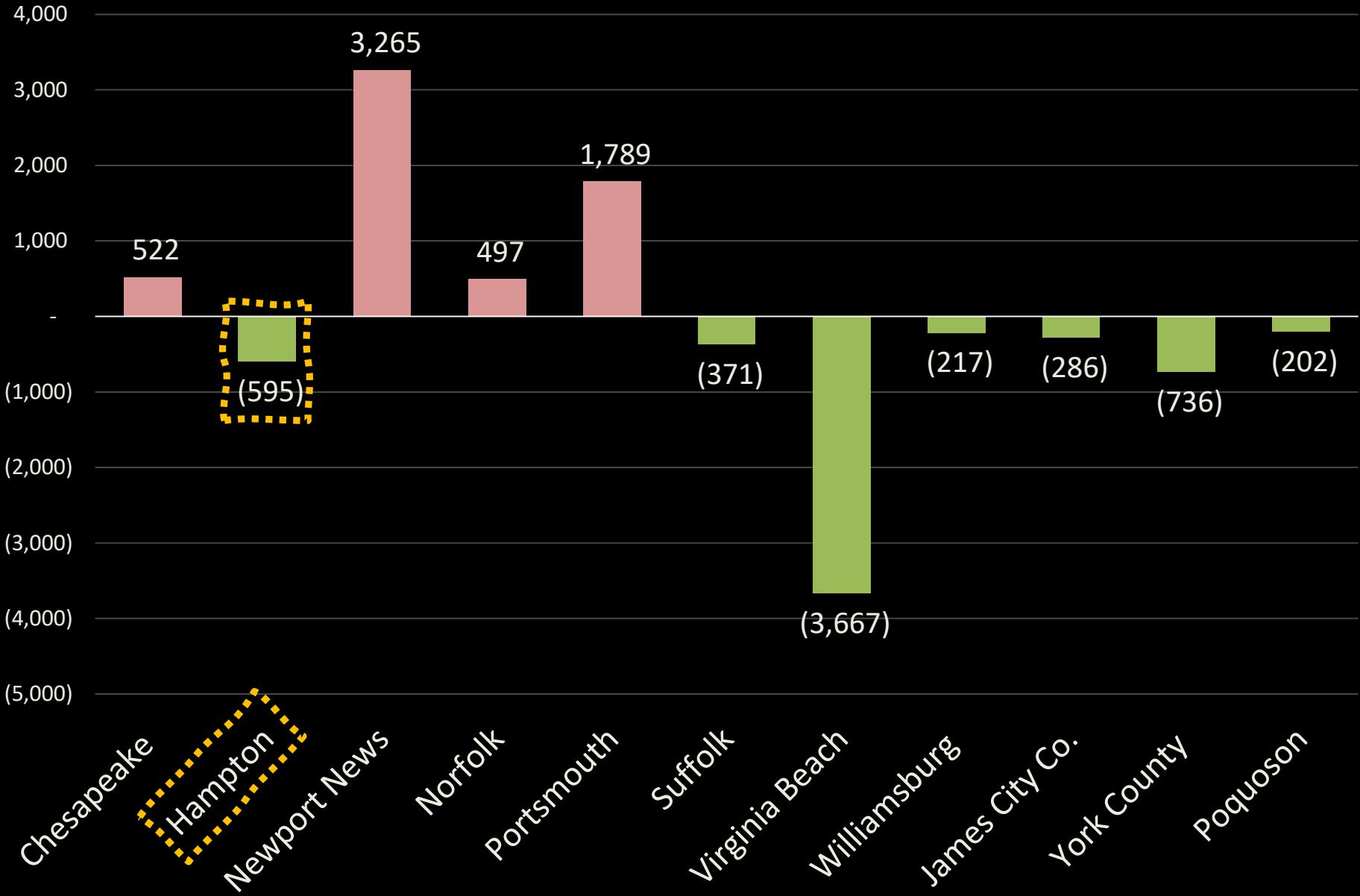
Multi-Family Finance Program Examples



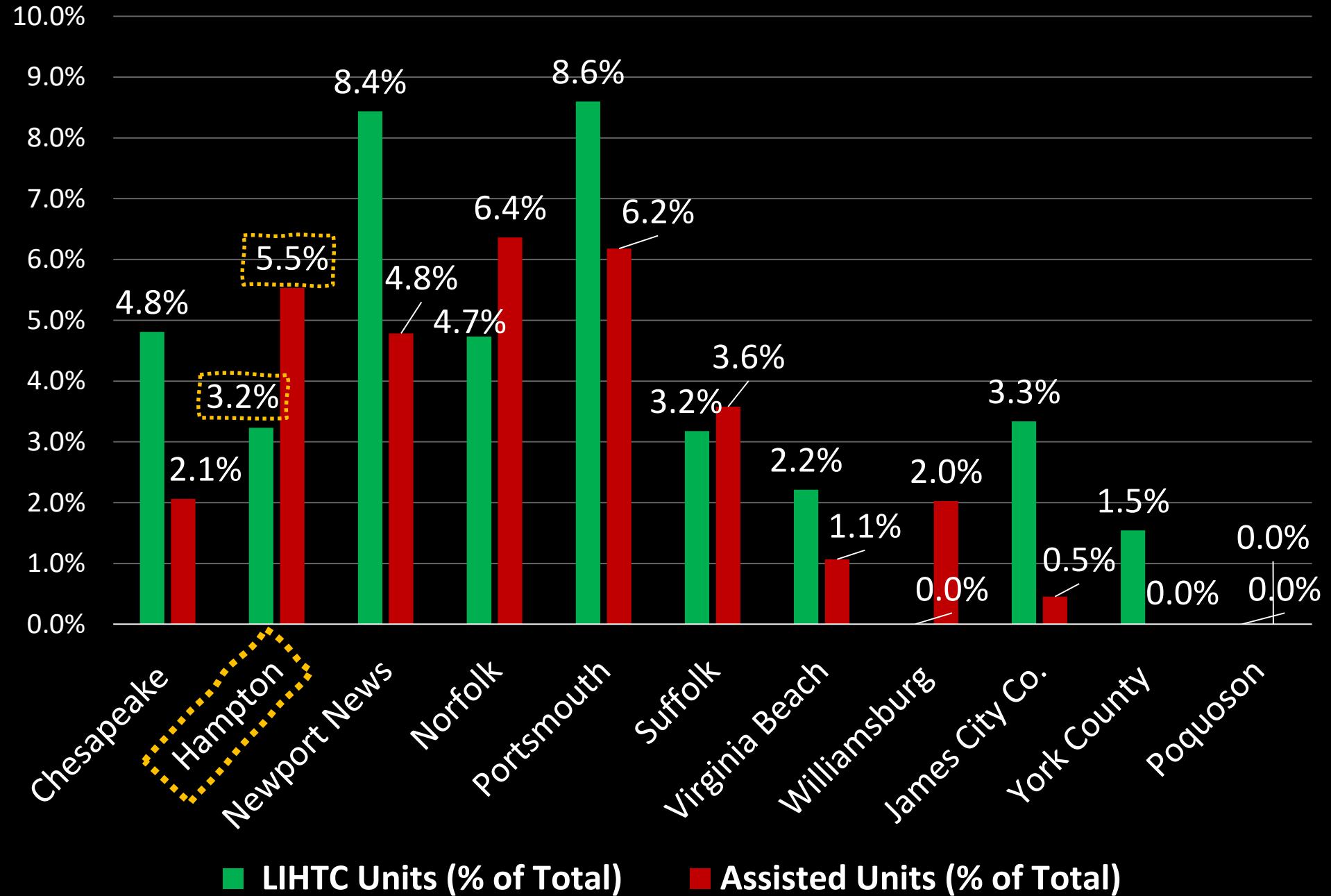
LOW INCOME HOUSING TAX CREDITS [LIHTCS]



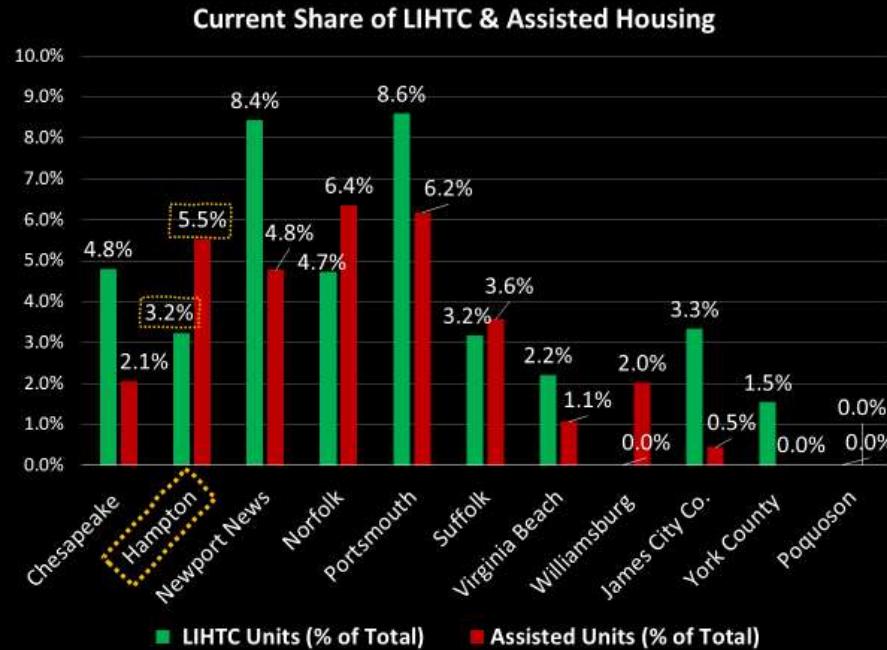
“Ideal” Fair Share of LIHTC Units



Current Share of LIHTC & Assisted Housing



Key Data Insight: REGIONAL SHARE



1. Hampton's current share of **tenant-based assistance** units are over the regional fair share by 3.3% (1,388 units)
2. Hampton's current share of **tax credit financed units** are under the regional fair share by 1.6% (595 units)

METHODS FOR IMPROVING HOUSING



*Policies, Strategies,
Tools, Resources, &
Focus Areas*

STRATEGIC HOUSING PLANNING

Community Vision

*Insights
Data
Market
Resources*

Values, Policies, Goals

Programs

Projects

Priorities

Practices

COMMUNITY PLAN POLICIES

COMPREHENSIVE & DISTRIBUTION

- **HN Policy 1:**
Support targeted community redevelopment as part of a comprehensive approach to promote healthy neighborhoods and housing quality.
- **HN Policy 2:**
Targeted efforts to improve the city's housing distribution in the city's strategic investment areas and adjacent neighborhoods.

Strategies/Efforts

- Master Plan Areas
- Housing Venture Areas
- Curb Appeal Grants
- Home Repair Blitz
- Safe & Clean Initiative
- Rental Inspection Areas
- Strategic Acquisition Resource Committee (SARC)
- Regional Fair Share Policy

COMMUNITY PLAN POLICIES:

INFILL (NEW) HOUSING QUALITY

- **HN Policy 6:**

Promote infill housing and ensure that the design and quality of infill housing enhances the value of surrounding structures and the neighborhood.

Strategies/Efforts

- Housing Venture Areas
- Curb Appeal Guides
- Preferred Builders
- R4-Zoning District
- Strategic Acquisition Resource Committee
- Infill Ordinance Changes

COMMUNITY PLAN POLICIES: **PRESERVATION & REHABILITATION**

- **HN Policy 11:**
Expand the use of historic and other housing preservation techniques as a strategy to promote healthy neighborhoods and higher quality housing.
- **HN Policy 12:**
Continue to support homeowner rehabilitation grant & loan programs to promote healthy neighborhoods and high-quality housing.

Strategies/Efforts

- Fed/State Historic Districts
- Housing Venture Areas
- Curb Appeal Grant
- Rock the Block Grant
- HUD Rehabilitation Grant
- HOME/NSP/ARS Rehabilitation & Sales
- CDBG Rehab & Preservation
- Resilient Hampton Initiative

OPTIONS

- *Employee Buyer Incentives*
- *Local Historic District & Review Board*

HOME BUYER INCENTIVE LEGAL OVERVIEW

Section 15.2-958.2 of the Code of Virginia

- City may adopt ordinance to provide:
- *“...homeownership grants to employees of the locality, employees of the school board and employees of constitutional officers, to purchase their primary residences in the locality.”*
- May not exceed \$25,000 per employee.

HOME BUYER INCENTIVE LEGAL OVERVIEW

- **City can establish “terms and conditions”**
 - For example, to focus on specific neighborhoods and/or limit to certain positions, such as, public safety employees
- Code of Virginia requires program to comply with VHDA **“regional sales price & household income limitations”** based on this geographic region

	1-2 Person Household	3+ Person Household	Sales Price/ Loan Limits
Hampton Roads Metro Area	\$90,400	\$105,400	\$390,000
	<i>162% AMI (1 Person)</i>	<i>140% AMI (3 Person)</i>	<i>158% Median Value</i>

OTHER VIRGINIA PROGRAMS

Loudon County	Richmond
PUBLIC EMPLOYEE HOMEOWNERSHIP GRANT (PEG)	HOMEOWNERSHIP INCENTIVE PROGRAM (CITY CODE)
<i>Full or Part-time Gov/School Employees</i>	<i>Police officers, deputy sheriffs, teachers & firefighters</i>
<i>Forgivable 5 year loan (employ, own, reside)</i>	<i>Purchase primary residence in targeted areas of the City</i>
<i>\$10,000 for home purchase</i>	<i>\$25,000 max for home purchase</i>
<i>First-come first-served</i>	-----
<i>30-70% AMI or \$36,400-\$84,950 annual income</i>	<i>VHDA Regional Annual Income Limit</i>

CURRENT HOMEBUYER PROGRAM

HRHA Homebuyer Subsidy Assistance (HOME)

- **Eligible Properties**
 - HRHA owned homes
- **Eligible Applicants**
 - Below 80% AMI Household Income
 - Complete HRHA Homebuyer Seminar
- **Program Benefit**
 - Lesser of \$20,000 or 20% of sale price
 - Forgivable interest free loan
 - Used for combination of down payment and/or closing costs

AREA MEDIAN INCOME (AMI) & EMPLOYEE SALARY EXAMPLES

Hampton Roads	1 Person Household	2 Persons Household	3 Persons Households	4 Persons Households
80% of Area Median Income (AMI)	<\$44,450	<\$50,800	<\$57,150	<\$63,450
<i>City of Hampton Entry Salaries</i>	<i>City Planner</i> ---- <i>Case Manager</i> ---- <i>Business Dev. Coord.</i> ---- <i>Police / Fire Entry Level</i>	<i>Senior City Planner</i> ---- <i>Plans Reviewer II</i> ---- <i>Budget Analyst</i>	<i>Grant Writer</i> ---- <i>Housing Dev. Specialist</i>	<i>Division Manager</i> ---- <i>Media Relations</i>

COMMUNITY PLAN POLICIES:

STRATEGIC HIGHER VALUE

- **HN Policy 7:**

Encourage the development of higher value housing.

Focus higher value housing strategies within the City's **strategic investment areas and on waterfront and water-view sites** that are appropriate **for single and multi-family residential uses.**

Strategies/Efforts

- Urban Development Areas
- Housing Venture Areas
- WVS, Saunders/Crouse
- Buckroe Bayfront
- VHDA Partnerships
- Assisted Housing Fair Share

ADD/NEW

- Infrastructure Partnership
- Develop Additional Multi-Family Policies

COMMUNITY PLAN POLICIES: **MAINTENANCE & ENFORCEMENT**

- **HN Policy 9:**
Continue to enforce the International Property Maintenance Code and applicable City codes to promote healthy neighborhoods and housing conservation.
- **HN Policy 10:**
Continue to support programs that address deteriorating, substandard, and un-safe residential structures and properties.

<u>Strategies/Efforts</u>	<u>ADD/NEW</u>
<ul style="list-style-type: none">• Housing Venture Areas• Blight Abatement• Safe & Clean Initiative• Rental Inspection Areas• Codes Academy• Code Updates• Home Repair Blitz	<ul style="list-style-type: none">• Consolidated Enforcement• HCV/Sect.8 State Rehab. Tax Credit

COMMUNITY PLAN POLICIES: **EMERGING MARKETS & STUDIES**

- **HN Policy 3:**
Focus housing supply
strategies on the
emerging markets
identified in the
City's housing
market studies.

Strategies/Efforts

- Zimmerman Volk:
Olde Hampton/Downtown
- VHDA Planning Grant:
LaSalle/I64 Corridor
- Development Infrastructure
Team

Still Needed:

- *City-wide housing study for JBLE
mission expansion*
- *Master Plan Area Updates
(Routine every 5-10yrs)*

COMMUNITY PLAN POLICIES: **HOUSING & INCOME SPECTRUM**

- **HN Policy 18:**
Continue to support ... agencies to improve the supply and condition of housing for residents in the very low income bracket.
- **HN Policy 19:**
In cooperation with local governments and regional agencies, promote a regional fair share approach to providing affordable housing at a variety of income levels.
- **HN Policy 20:**
Support housing programs at the local and regional level that encourage mixed income neighborhoods and discourage the isolation of very low and low income households.

Strategies/Efforts

- Home Repair Blitz
- Safe & Clean Initiative
- Rental Inspection Areas
- Rehabilitation Grant
- VHDA REACH Financing
- Fair Share Policy
- Project-Based Vouchers
- Housing Choice Voucher (Section 8) approach

ADD/NEW

- *State Rehab Grant*

COMMUNITY PLAN POLICIES:

SPECIAL POPULATIONS

- **HN Policy 22:**

Support housing opportunities for individuals and groups with **special needs including seniors, youth, and persons with disabilities.**

- **HN Policy 23:**

Support housing that **incorporates facilities and services to meet the health care, transit, or social service needs** of households with special needs, including **seniors and persons with disabilities.**

Strategies/Efforts

- Housing Choice Voucher (Section 8) approach
- Veterans Affairs Supportive Housing (VASH)
- LIHTC Partnerships
- Home Repair Blitz
- Fair Share Policy
- Housing Consortium
- Housing Resources Board

COMMUNITY PLAN POLICIES: **EMERGENCY HOUSING & HOMELESSNESS**

- **HN Policy 24:**
Support the provision of
emergency shelter,
transitional housing, and
related services to
address homelessness at
both the local and
regional levels.

Strategies/Efforts

- Project-Based Vouchers
- Housing Choice Voucher (Section 8) approach
- LIHTC Partnerships
- Continuum of Care
- Housing Consortium
- Housing Resources Board
- Outside Agency Funding



Hampton Housing Venture Area:
Olde Hampton



Hampton
Housing Venture
Olde Hampton

\$13,187,247

investment by City, HRHA, & HUD (Since 2005)



Partner	Houses	Sales Price Total	Period
HRHA	19	\$3,479,725	2007 - 2018
Habitat for Humanity	11	\$2,077,000	2014 - 2019
Preferred Builders	20	\$3,939,200	2013 - 2019
Total:	50	\$9,495,925	2007 - 2019



Hampton Housing Venture

Olde Hampton

300%

Increase

*in Avg. Home Resale Value
Since 2014*



Patterson Crossing

(LIHTC Construct - 19 units)

\$5,082,953

Queens Court

(Rehab - 12 units)

\$560,000



Hampton Housing Venture: Olde Hampton

- Mary Jackson Neighborhood Center design underway
- 15 new houses currently planned
- Potential for 50 more homes in next 3-5 years
- Civic association membership increasing



Hampton Housing Venture Area:
Sussex at Hampton



190 Homes
Average Value (2020)
\$117,552



18
HOME Acquisitions
(Since 2007)

Total Investment
\$3,809, 477

Hampton Housing Venture: Curb Appeal Matching Grant





Hampton
Housing Venture
“Curb Appeal”
Matching Grant
2005-2018

Projects Funded:

568

Public Funds Awarded:
\$1,688,293.41





Hampton
Housing Venture
“Curb Appeal”
Matching Grant
2005-2018

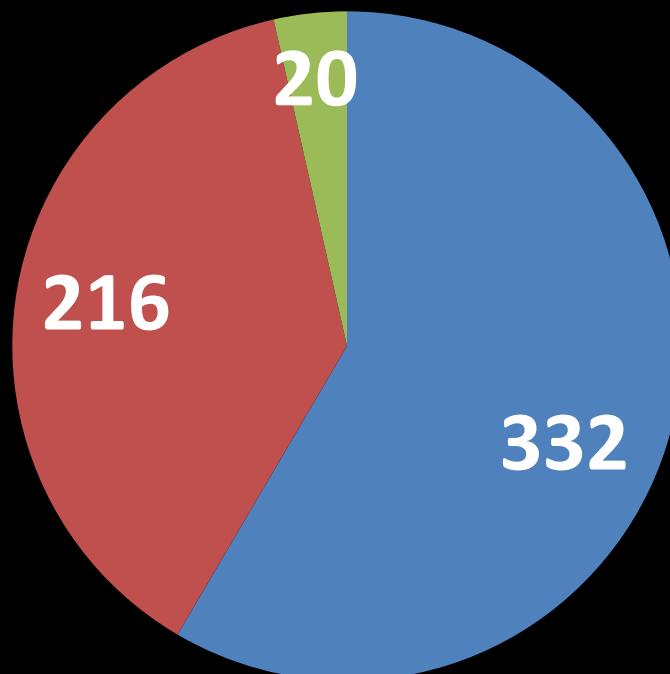
Private Investment Matched:
\$2,881,826.38

Public to Private Ratio:
\$1 : \$1.71





Hampton Housing Venture “Curb Appeal” Matching Grant 2005-2018



Housing Venture:
Olde Hampton,
Pasture Point,
Sussex (2005)

Buckroe Master
Plan Area (2010)

Housing Venture:
Phoebus (2016)

A large red sign with the word "FORECLOSURE" in white, bold, sans-serif letters is positioned in front of a house. The sign is partially visible, with "FORECLOSURE" clearly legible and "SOLD" partially visible below it. The house behind the sign has a grey roof and a white exterior. Some trees are visible in the background.

Neighborhood Stabilization Program (2009-2019)

Neighborhood Stabilization Program



35

Projects
2009-2019

Avg Acquisition Value
\$102,770

Avg Resale Value
\$139,160

Value Change
35% increase

Neighborhood Stabilization Program



Acquisition Costs
\$3,596,958 +
Rehab Investment
\$1,211,294 =

Total Investment
\$4,808,252



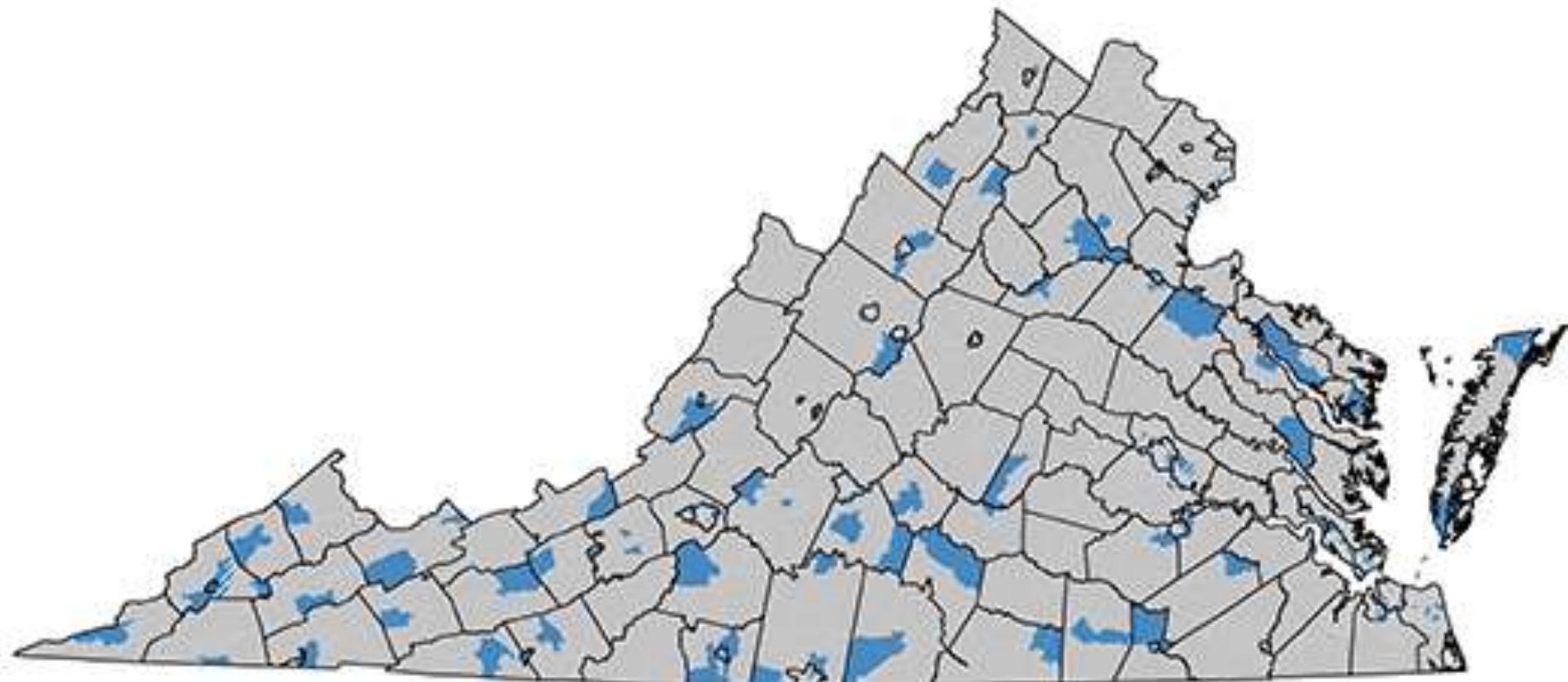
Total Resale Price
\$4,870,553

Project Based Vouchers (PBVs)

- PBVs are a component of a Public Housing Agency's (PHA's) Housing Choice Voucher (HCV) program.
- PHAs are NOT allocated additional funding for PBV units.
- PHA's can use up to 20% of authorized vouchers for use in a specific project
- Example:
 - Gloucester County, 23 units for Hampton PBV's

Moving to Work (MTW)

- A demonstration program for Public Housing Authorities (PHA's)
- Opportunity to design & test innovative, locally designed strategies using federal \$'s more efficiently
 - Help residents find employment,
 - Become self-sufficient, &
 - Increase housing choices for low-income families
- Currently nationwide, 39 MTW programs
- HUD to expand to 100 MTW programs by 2022



QUALIFIED OPPORTUNITY ZONES

OVERVIEW OF HAMPTON'S
OPPORTUNITY ZONES

What are Opportunity Zones?

- Created through the tax cuts and jobs act of **2017**
- Provides **Federal tax benefits** to encourage **private investment in low income communities**

How Were Opportunity Zones Designations Determined?

- Must be a **Census tract** that meets the definition of a “**low-income community**” (*§45D(e) under New Markets Tax Credit*)
- Governors could designate up to **25% of a state’s eligible census tracts**
- Required **Treasury approval** (*essentially automatic*)
- QOZs in all 50 states, the District of Columbia, Puerto Rico and the Virgin Islands



Where are Hampton's Opportunity Zones?

Four contiguous Census Tracts which include portions of:

- **Langley Research Park**
- **Magruder Corridor**
- **Coliseum Central**
- **Downtown**



Opportunity Virginia

A Virginia Community Capital & LOCUS Initiative

- Announced by **Gov. Northam on October 22, 2019**
- **LOCUS Impact Investing & Virginia Community Capital**
- Facilitates productive **connections between investors, project sponsors, and communities** to drive meaningful activity
- Provides the **education, tools, and resources** to guide each stakeholder group through the process
- **October 2019** - Community Development and Economic Development, spoke with representatives of Opportunity Virginia & obtained commitments to assist Hampton in its efforts to attract investors to its four Opportunity Zones.

Development Infrastructure Team

- Identifying scenarios that will require Stormwater, Sanitary/Sewer, Water, Parking, Electrical/Lighting, Pedestrian Access ...
- **Priority Housing Assessment Areas**
 - Downtown Hampton/Harbor Square
 - Phoebeus
 - Lincoln Park/LaSalle
 - Buckroe Bayfront
 - Pressey Otley

NEW EXTERIOR REHAB GRANT

Small Area Rehab Grant (“Rock the Block”)

- **Eligible Property**
 - Housing Venture Neighborhoods (LMI Census Tracts)
 - 3-4 Block area at a time
- **Eligible Rehab**
 - Exterior repairs & improvements
 - Project ranked by visibility & impact
- **Program Benefits**
 - 10% or 50% match for up to \$15,000 grant award
 - Both owner (10% match) & investor (50% match) properties
 - Available quarterly for up to 1 year
 - Case management support & pre-screened contractors
 - Managed by local housing non-profit

CURRENT TAX ABATEMENT

Hampton Rehabilitation Tax Credit Program

(Code of Virginia § 58.1-3220 & § 58.1-3221)

- **Eligible Property**
 - Structure at least 25 years old
- **Eligible Rehab**
 - Rehabilitation must increase assessed value by no less than 40%
 - May not increase more than 15% of total square footage
 - Renovations must be completed within 1yr
- **Program Benefit**
 - 100% of credit for the first 3yrs
 - 50% of credit for second 3yrs

VCU STUDY: REHAB. TAX ABATEMENT

Key Points

- Difficult for homeowners in low income neighborhoods to achieve minimum 20% renovation value due to the limited tax abatement value over the extended time
- Disinvested areas on the fringes of markets of demand stand the most to gain in the program due to high potential for returns
- Suggest geographically and income varied requirements
- Incentivize blight abatement
- Improve quality preserve & affordability
- Local market-based incentives

CURRENT NEW CONSTRUCTION INCENTIVE

HRHA Higher Value Housing Incentive Grant

- **Eligible Properties**
 - Construction assessment at least \$375,000
- **Program Benefits**
 - Amount of the first year's property tax
 - Max award of \$25,000
 - Grant years by number of units:
 - 1-2 units = 1yr or 3+ units = 3yrs
 - 4yrs on every 3rd unit

