

TOWN OF PULASKI STRATEGIES

Strategy 1: Continue Robust Community Development Efforts

Many small towns in rural Virginia have been significantly impacted by the loss of traditional industries, population declines, and the rise of national chain stores.

While this plan focuses on housing strategies, community development progress and housing progress are interconnected. The two form a virtuous cycle—as infrastructure, amenities, retail, dining, and entertainment expand, the demand for housing follows. People are attracted to vibrant spaces in lively communities. Conversely, as the number of people living in the town (especially downtown) increases, the market for stores, shops, restaurants, and coffee shops increases.

The continuing revitalization of the downtown area and addressing vacant and/or dilapidated buildings is critical to attracting new businesses and residents. The Downtown Revitalization Plan completed in 2017 provides a blueprint for progress, including a detailed inventory of blighted buildings and underutilized properties.

FRAMEWORK

There are several community development initiatives that the town has adopted and is currently pursuing. Continuing the implementation of these efforts with the intentional integration of housing development strategies can spur the well-rounded revitalization results sought by the town.

Last year, Pulaski hosted a conference titled Revitalization Revival: A Big Tent Approach to Historic Preservation. That conference focused on fully using Pulaski's historic district and structures. The conference featured speakers discussing a range of preservation topics concurrently with Architectural Review Board training.

Federal and state historic tax credits can be used in Virginia to restore commercial buildings, including office and retail properties. Pulaski's historic theater is an attractive target for such restoration. The renovations of the Jackson Park Inn were possible owing to the availability of credits and investors who converted those into project equity. Critically, more historic credits in Virginia are used for housing development than for strictly commercial projects.

Historic tax credits can be combined with other subsidy sources, including community development block grants, housing trust funds, the HOME program, and low-income housing tax credits. The housing credit program has recently been modified to allow for a greater mix of income, now serving households with incomes up to 80% of AMI. Rents permitted at this level are equivalent to market-rate workforce rents for the Town of Pulaski.

The Virginia Main Street Program offers a wide range of technical assistance and training opportunities that include mixed-use housing projects. Pulaski should continue working toward approval as a Main Street affiliate community, of which there are 27 in Virginia.

Virginia Housing is the best resource for downtown revitalization that includes housing. The mixed-use/mixed-income program provides for low-rate mortgage financing for projects that include both

housing and commercial spaces. Virginia Housing is flexible on the incomes served and will fund projects with household incomes up to 150% of AMI. Some more deeply affordable apartments are required and determined through negotiation that considers the underlying economic feasibility of the project.

IMPLEMENTATION PLAN

Immediate:

- **Consider the town's interest in the following approaches:**
 - Obtain and maintain Virginia Main Street designation.
 - Coordinate downtown district strategies through regular meetings of Pulaski on Main with the Chamber of Commerce, town and county economic development staff, and regional organizations.
 - Convene monthly management team meetings to review progress on downtown revitalization activities, and continue the Pulaski Rising planning process.
 - Implement and expand downtown improvement projects awarded community improvement grants.
 - Improve directional signage to the downtown district and outdoor recreation amenities.
 - Implement walking trail designs proposed in the Pulaski Downtown Revitalization Master Plan with funding through programs such as the VDOT "Transportation Alternatives."
 - Facilitate the sale or redevelopment of vacant commercial properties in collaboration with owners and potential investors targeting the buildings listed in the Pulaski Redevelopment and Renewal Plan and the Pulaski Downtown Revitalization Master Plan.
 - Review and update zoning regulations and implement an overlay zoning district for downtown to promote design guidelines and target incentive programs to businesses.
 - Initiate a business recruitment strategy to encourage business investment in downtown and in target business sectors.
 - Target grant, loan, and incentive programs to property owners in downtown areas to upgrade buildings or invest in new business development.
 - Promote downtown residential development through updates to the zoning regulations to allow residential units in upper floors of downtown buildings and market to regional target markets.
- **Identify parcels suitable for housing:** finalize inventory of vacant parcels and underutilized buildings suitable for housing.
- **Identify owners willing to partner:** meet with owners of vacant parcels to determine motivation to sell or partner.
- **Partner with the housing authority:** engage the participation of the Pulaski Redevelopment Housing Authority (PRHA) to act as a site aggregator and land bank.

Short-term (next 12 months):

- **Host a downtown housing event:** invite funders and potential development partners.
- **Host a downtown tour:** provide facts about development opportunities at various buildings and parcels.
- **Target code enforcement** for dilapidated buildings downtown.
- **Assess current zoning:** assess and modify zoning or land-use barriers to development.
- **Pursue financing options:** invite Virginia Community Development Corporation (VCDC) (equity investment) and Virginia Community Capital (flexible debt) to visit and discuss possible projects.

- **Evaluate potential for land banking:** explore land and property acquisition line of credit for PRHA “land banking.”
- **Conduct a market study** for downtown housing that can be used to help developers understand demand and the pricing.

Mid-term (12–24 months):

- **Solicit development partners:** develop RFPs for property development that can be sent to potential partners.
- **Market downtown:** prepare a marketing campaign for affordable downtown living.

LEGAL, FINANCIAL, AND ORGANIZATIONAL CAPACITY

- Town staff may need consulting assistance in developing project feasibility for mixed-use development.

FUNDING SCOPE REQUIREMENTS AND PROJECTED IMPACT

- Funding requirements are based on the number and type of housing units developed. The town should encourage the development of a regional HTF that can help provide “gap” financing for projects.

POTENTIAL FUNDING SOURCES

- Virginia Housing, Department of Housing and Community Development, NRV HOME Consortium, historic tax credits, low-income housing tax credits, Federal Home Loan Bank, Virginia Community Development Corporation, corporate partners, and healthcare systems.

METRICS TO EVALUATE SUCCESS

- Dollar volume of development, number of housing units produced, square feet of commercial space, number of new businesses, number of people living downtown, and number of employees downtown.

RESPONSIBLE ACTORS AND THEIR ROLES

- Town staff, Pulaski Redevelopment Housing Authority, state agencies, developers, economic development staff, realtors, and downtown businesses.

BEST PRACTICES FOR CREATIVE PLACEMAKING IN DOWNTOWNS: URBAN LAND INSTITUTE

- *Begin with the end in mind: envision what you want.*
- *Bring in artists and the community early.*
- *“Mine” local assets.*
- *Engage with local artists and cultural actors.*
- *Understand and clearly state stakeholder benefits.*
- *Form partnerships across sectors.*
- *Know what critical skills are needed.*
- *Generate excitement with early wins.*
- *Provide creative (flexible) financing.*

Strategy 2: Develop a housing improvement plan using windshield survey results

Although small towns may struggle with limited resources, their size can provide advantages over larger localities. For example, researchers can conduct robust data collection as they can sample a larger portion of the population to develop comprehensive, accurate findings. This trait is extremely helpful for housing and community development planners seeking high-quality information to make decisions.

One method for collecting information on housing conditions in an area is a “windshield survey,” where researchers gather and record data on properties while driving by in a car. The same process can be done on foot as a “walking survey.” Common observations include age and condition of housing, type of housing, and occupancy status. Using these findings, town staff can analyze patterns, determine gaps in investment and infrastructure, and target interventions more efficiently.

FRAMEWORK

Consider accounting for the following criteria when creating a windshield housing survey:

- Age of home (corroborated by parcel records)
- Type of home (e.g., single-family or duplex)
- Size of home (corroborated by parcel records)
- Physical condition of home (create a standardized evaluation system of Poor, Fair, Good, and Excellent)
- Occupancy/vacancy status
- Noticeable safety hazards
- Available infrastructure (e.g., streetlights and sidewalks)
- Other metrics considered important by the town

Once survey data is collected, answer the following questions:

- What are the most important housing assets in the community?
 - How can these assets be protected and preserved?
- What are the most pressing housing challenges in the community?
 - How can the town better understand and overcome these challenges?
- Did the survey confirm any prior assumptions or prove any as unfounded?
- Are there spatial discrepancies in assets and challenges? That is, do conditions vary significantly by block or by neighborhood?

Using the survey findings, create a **housing improvement plan** to address methods of protecting neighborhood assets, including long-term homeowners and vulnerable renters. It will also craft ways to increase investments on blocks with greater needs.

Elements of this housing improvement plan may include recommendations to address the following: (1) homeowner housing stability, (2) rental housing stability, and (3) quality of housing stock. Potential strategies to consider in this plan may include the following:

- Changes to or better promotion of real estate tax relief programs.
- Strategic and targeted code enforcement to address certain blocks and property owners.

- Prioritization of certain areas for weatherization and lead abatement programs.
- Proactive outreach to owners of “naturally” affordable rental properties to ensure that their tenants remain safely and affordable housed.

IMPLEMENTATION PLAN

Immediate:

- **Finalize survey structure and data collection methods.**
- **Create timeline:** develop a survey timeline that includes periods for collection, analysis, and developing recommendations.
- **Conduct windshield survey:** consider partnering with Virginia Tech planning students to assist with this work.

Short-term (next 12 months):

- **Analyze results:** finish survey, aggregate results, and begin analysis.
- **Engage the public:** conduct a public outreach campaign to gauge the community’s interest in potential improvement options and incentives. Create a visual and outcome-based campaign.
- **Produce a preliminary report:** make it available to the public and elected officials.
- **Discuss findings:** begin small-group meetings (consider online engagement platforms such as Bang the Table or MetroQuest) with property owners and neighborhood residents to discuss findings and solicit recommendations.

Mid-term (12–24 months):

- **Present recommendations:** using survey results, public feedback, and research on best practices, compile a series of recommendations for improving housing conditions in town.
- **Prioritize strategies:** focus on a small set of priority strategies to begin implementation.

LEGAL, FINANCIAL, AND ORGANIZATIONAL CAPACITY

- There are no legal barriers to the planned windshield survey.
- Assuming the survey work is fully funded, there are no major financial challenges. Additional funding may be required to implement strategies that arise from this work.
- The town may consider using volunteers to assist with data collection, depending on the desired survey scope.

FUNDING SCOPE REQUIREMENTS AND PROJECTED IMPACT

- This survey provides the town a strong foundation for future policy changes that improve neighborhoods. While the process does not directly improve housing conditions, it ensures that subsequent efforts are administered efficiently to maximize impact.

POTENTIAL FUNDING SOURCES

- Additional funding for deeper research work and for recommendations that require new resources may come from federal grants (CDBG and HOME), capital improvement dollars, and/or philanthropic sources.

METRICS TO EVALUATE SUCCESS

- Number of homes surveyed.
- Findings released and promoted publicly.
- New strategies developed and implemented to address needs identified in research.

RESPONSIBLE ACTORS AND THEIR ROLES

- Town staff will organize, lead, and conduct most of the survey work.
- The planning commission and town council will review findings and help draft and adopt strategies that arise from the work.

Strategy 3: Explore potential uses for housing authority

The Pulaski Redevelopment Housing Authority (PRHA) is governed by a board of commissioners appointed by town council and has no staff. It does not own or operate any housing communities; however, the PRHA has been used to occasionally assist the town in property acquisition. An opportunity exists to expand the role of the PRHA in the context of downtown revitalization and community development.

FRAMEWORK

Redevelopment and Housing Authorities in Virginia have a wide range of powers that can be helpful to towns pursuing revitalization. The PRHA can acquire, own, hold, and sell property, allowing it to operate like a land bank for the town. The PRHA can purchase properties through market sale transactions and combine them with other parcels to create attractive development sites.

The organization can also acquire deteriorated and blighted property to address substandard housing conditions in the downtown area, later demolishing or rehabilitating the properties. The town has some properties that are severely tax delinquent, and the authority can receive those properties from the town in lieu of a tax sale. Virginia code explicitly approves this kind of training transaction under the direct sale provision in 58.1-3970.1. Certain requirements must be met to direct sell the property, one of which is that the assessed value must be less than \$75,000.

Authorities also play a role in the establishment of redevelopment and conservation areas. Typically, the designation of such areas begins with the authority that makes the required findings. The designation is then approved by the governing body, the town council. Once approved, the council can grant tax abatement in these areas under certain conditions, which can be a powerful incentive to developers.

The authority can also act as a developer and owner itself. Small communities are frequently challenged in finding developers who are willing to come to the area and undertake smaller-scale projects that may have lower returns and higher risks. The authority can assume projects that the private sector is unwilling to pursue. VCDC, the state's housing and revitalization equity fund, is willing to partner with local authorities to conduct such projects that can inspire others.

IMPLEMENTATION PLAN

Immediate:

- **Confirm powers granted to PRHA:** review the charter and bylaws of the PRHA to determine its powers.
- **Assess PRHA interest level:** review board appointments and meet with PRHA commissioners to determine their interest in expanding activity.
- **Create conservation and redevelopment areas:** review the authority to create conservation and redevelopment areas and assess their usefulness in the town's revitalization strategy.
- **Inventory dilapidated and blighted structures.**
- **Identify potential properties:** review the list of tax-delinquent properties eligible for direct sale.

Short-term (next 12 months):

- **Develop a work plan for the authority:** determine staffing needs and make necessary new board appointments.
- **Provide working capital for the authority:** seek grant support or other funding sources to act as operational funding. Grant funding may be available from Virginia Housing to conduct planning for the PRHA.
- **Begin data collection:** begin gathering data for redevelopment/conservation area designation.

Mid-term (12–24 months):

- **Begin property acquisition and disposition.**
- **Create an online presence:** build a website that provides information on the authority’s activities to create transparency.
- **Implement work plan:** conduct development projects as needed.

LEGAL, FINANCIAL, AND ORGANIZATIONAL CAPACITY

- Although PRHA has the legal authority to undertake the activities described, it does not have the financial or organizational capacity to do so. Funding will need to be developed to support this work. The town can consider contracting for staff rather than hiring full-time staff if the activities of the PRHA do not generate sufficient income to support a staff with the necessary skills and experience.

FUNDING SCOPE REQUIREMENTS AND PROJECTED IMPACT

- Dependent on the workplan.

POTENTIAL FUNDING SOURCES

- The Department of Housing and Community Development and Virginia Housing are the two most-likely funders to provide critical support.

METRICS TO EVALUATE SUCCESS

- Number of properties purchased and transferred for redevelopment or revitalization. Number of housing units produced and commercial space created.

RESPONSIBLE ACTORS AND THEIR ROLES

- Town Council, PRHA Board, developers, realtors, town staff, and consultants.

Strategy 4: Use comprehensive plan update to explore density options and expand housing education efforts

Comprehensive plans are a critical method for communities to have a say in their future. As the town begins its comprehensive plan update, it can educate the public about housing needs and challenges and explore creative density options for future town development. These options may include townhomes, duplexes, small apartment buildings, tiny homes, modular, or manufactured homes.

FRAMEWORK

The town can consider the following steps to expand housing education efforts and encourage more diverse housing options as part of its comprehensive plan effort:

1. **Determine the capacity for and expectations of public engagement.** To build long-term public trust, the town must be proactive and upfront about how they solicit community input and how it is used. Questions include the following:
 - a. How will public input on housing be collected? Multiple methods, including in-person meetings, surveys, and “open office” hours are encouraged.
 - b. How will housing be incorporated into the comprehensive plan? Elevating it to a standalone chapter is recommended.
 - c. How will the results of public engagement be presented? Feedback should be aggregated and released on a rolling basis rather than withheld until the plan is completed.
2. **Develop a road map and timeline for engagement points with the public.** Keep to the plan. Example milestones include the following:
 - a. **Initial learning sessions** to hear directly from the community. Limited data are presented to keep the focus on live experiences. Town facilitators will not present specific plans or recommendations, and feedback generated during these meetings will guide research on housing needs and potential strategies.
 - b. **Presentations of findings** to educate the public more deeply about the issues raised in the first meetings. Facilitators should present data from this study and any additional findings germane to the town’s housing priorities.
 - c. **Preliminary visioning** for the future of housing in the town. Facilitators should be prepared with specific examples of “creative density” options from similar communities across the Commonwealth to avoid hypothetical stereotypes about housing that is not traditional single-family housing.
 - d. **Discussion of recommendations** needed to achieve the common housing vision. Facilitators should be able to provide details on policy/program mechanisms that the town has or is currently implementing along with new strategies identified in previous meetings. “Guardrails” on the discussion should be placed early on, including constraints on town resources and the legal capacity under state code.
3. **Use the latest research on messaging and reframing to counter NIMBYism and build wide support** for innovative housing measures. For many years, housing planners and practitioners have failed to acknowledge the roots of biases and prejudices against affordable housing. We

often operate in the wrong conversation “framework” by using incorrect assumptions and attempting to win opponents over with data and research, which is rarely successful.

To overcome this challenge, housing advocates should shift their messaging to be values-based rather than data-based. Although data is necessary, it should play a supporting role and not a lead one.

One example of “reframing” a message for housing is to tell the “story of us” rather than the “story of them”:

STORY OF THEM: *“This family had some back luck and now needs our help.”*

STORY OF US: *“Our community’s strength is that we come together to help our neighbors if they are struggling.”*

This reorients the message away from orders and toward a values-based suggestion framework thanks to a shared belief.

Housing Forward Virginia can assist the town with this strategy component by providing additional resources and technical assistance. More information is available at housingvirginia.org/toolkits/messaging-toolkit.

IMPLEMENTATION PLAN

Immediate:

- **Create a dynamic public engagement plan:** begin drafting a public engagement plan for the comprehensive plan update, specifically around housing discussions. Consider online platforms such as Bang the Table and MetroQuest.
- **Seek technical assistance:** start in-depth conversations with Housing Forward Virginia staff on best practices for messaging and reframing.

Short-term (next 12 months):

- **Begin public engagement:** set dates and specific agendas for public engagement meetings and activities. Craft non-traditional engagement processes, including online surveys and scheduled “open office” hours where town staff can answer questions and hear input from residents.
- **Confirm housing data findings:** review the town’s data findings within this report and update current town housing trends, needs, and challenges as required to guide discussions.

Mid-term (12–24 months):

- **Share findings:** collect public engagement and education responses and publish them for full transparency.

LEGAL, FINANCIAL, AND ORGANIZATIONAL CAPACITY

- The town is required to regularly update its comprehensive plan by state law. Although housing is not a mandated subject to address, it has been widely incorporated as a discrete topic in recent plans of many localities across Virginia.

- With potential assistance from Housing Virginia, town staff are fully capable of undertaking this effort.

FUNDING SCOPE REQUIREMENTS AND PROJECTED IMPACT

- Although the town may be able to cover these activities within its existing budget, it can seek additional public engagement/planning funding if needed.

POTENTIAL FUNDING SOURCES

- Comprehensive plan updates are typically funded within a locality's operating budget; however, planning funding may be available through Virginia Housing if the town is planning for more robust public engagement.

METRICS TO EVALUATE SUCCESS

- Number of residents who provide feedback via meetings, surveys, and other forms of engagement.
- Widespread agreement on a common vision for housing in the town, including new density types.

RESPONSIBLE ACTORS AND THEIR ROLES

- Town staff will lead and conduct the comprehensive plan update process, including community engagement activities.
- Housing Forward Virginia will provide an advisory role as needed and requested by town staff.