

TOWN OF CHRISTIANBURG STRATEGIES

Strategy 1: Preserve and Improve Aging Townhouse Communities

Christiansburg, like many growing jurisdictions during the 1970s and 1980s, saw the development of many affordable townhouse communities. These communities offered affordable homeownership opportunities to new area residents.

In recent decades, however, many of these communities have transitioned to being primarily renter-occupied. Ownership is scattered rather than consolidated, making property management considerations (e.g., uniform maintenance) more challenging.

FRAMEWORK

Many jurisdictions in Virginia and countrywide have had challenges addressing aging townhouse or condominium communities. The scattered pattern of ownership is the largest concern. Some units are still held by their original owners and are now rented out, some have been purchased by small-scale investors for rentals, and others are occupied by the owners.

There is a long-term, multifaceted approach to addressing this issue:

1. **Identify resources** that can be made available to existing property owners to help make needed improvements, address deferred maintenance, and increase curb appeal of the homes. Make improvements to the neighborhood infrastructure, including lighting, roadways, and sidewalks.

In cases where community owned infrastructure (e.g., common areas, sidewalks, and storm drainage) is substandard, require the property owner's association to make improvements even if special assessments must be levied (special levies may encourage some owners to sell, which may facilitate other strategies described later).

2. **Adopt rental inspection districts** that include the areas of concern. The adoption of such districts is specifically regulated by the state in Title 36, Chapter 6, Section 36-105:

The rental inspection district is based upon a finding by the local governing body that

(i) there is a need to protect the public health, safety, and welfare of the occupants of dwelling units inside the designated rental inspection district;

(ii) the residential rental dwelling units within the designated rental inspection district are either (a) blighted or in the process of deteriorating, or (b) the residential rental dwelling units are in the need of inspection by the building department to prevent deterioration, considering the number, age and condition of residential dwelling rental units inside the proposed rental inspection district; and

(iii) the inspection of residential rental dwelling units inside the proposed rental inspection district is necessary to maintain safe, decent, and sanitary living conditions for tenants and other residents living in the proposed rental inspection district.

This section of the code requires the community to collect data on property conditions to be able to make the findings required in the code.

3. **Seek a partnership with a non-profit housing provider** to undertake targeted acquisition of units in the townhome community. This strategy aims to create greater consolidation of ownership and uniformity of management in the community. The nonprofit purchaser can make improvements to the property and then re-rent and continue proper management oversight, targeting the housing to serve low- to moderate-income renters in the community.

The acquisitions can also be transferred to a community land trust to ensure that the property will be affordable in perpetuity and will be cared for by a qualified landlord that has a long-term interest in the community. If properties are sold by the land trust, the land would be retained, and owners must also be occupants. The homes can also be renovated and resold to owner occupants.

4. **Encourage acquisition of these properties** by owner occupants in partnership with local housing providers whenever they are for sale. Financial incentives can be offered, including down-payment assistance and home improvement grants to potential buyers. Special long-term mortgage financing can also be developed in partnership with Virginia Housing (formerly VHDA) or local mortgage lenders.

IMPLEMENTATION PLAN

Immediate:

- Identify target communities and collect data on tenure and occupancy.
- Survey property conditions, including community infrastructure.
- Identify the income levels of residents to assess available resources.
- Determine whether conditions exist that allow for the findings required to designate a rental inspection district.
- Identify resources available to support the initiative.

Short-term (next 12 months):

- Identify potential partners to work with the town on acquisition strategy.
- Designate rental inspection districts where justified.
- Identify staff to conduct rental property inspections and establish inspection protocols.
- Design incentive initiatives to encourage existing owners to make property improvements.
- Meet with lenders and realtors to discuss a homeownership initiative.

Mid-term (12–24 months):

- Select a nonprofit partner to work with the town on property acquisition.
- Consider the creation of a community land trust or a land bank to ensure property stewardship and to assist with acquisition.
- Launch the four-pronged program initiative.
- Start with inspections and incentives to existing owners, followed by targeted acquisitions and efforts to increase owner occupancy.

LEGAL, FINANCIAL, AND ORGANIZATIONAL CAPACITY

- This initiative will require significant financial and organizational capacity to undertake. The town must carefully assess conditions and be prepared to justify the creation of a rental inspection district, for which the town may face pushback from owners.

FUNDING SCOPE REQUIREMENTS AND PROJECTED IMPACT

- The project team should establish goals after its initial assessment of conditions. The initiative should set a 3–5-year time horizon to review impacts in the target communities. Data should be collected each year to track impacts.

POTENTIAL FUNDING SOURCES

- Regional housing trust fund (if implemented), Community Development Block Grant (CDBG) and HOME funds (depending on client incomes, Virginia Housing Trust Fund, Virginia Housing Community Impact Grants, and financial institutions including the Federal Home Loan Bank and community banks.

METRICS TO EVALUATE SUCCESS

- Number of homes improved, improvements to infrastructure, number of properties acquired by non-profit partners, and the increase in the percentage of owner-occupied homes.

RESPONSIBLE ACTORS AND THEIR ROLES

- Town planning, inspections and housing staff, NRVRC housing staff, nonprofit housing partners, realtors, and housing counselors.

VIRGINIA BEACH CASE STUDY

The city of Virginia Beach started experiencing problems in the 1990s with townhome communities constructed from the late 1960s through the mid-1980s. Many of these townhomes were cheaply constructed and initially served as owner-occupied housing, gradually transitioning to rental housing serving military personnel. Although some units were owner-occupied, they were rented when the owner deployed.

Virginia Beach experienced significant deterioration in the housing stock as well as problems with crime and increasing social service demands. The Virginia Beach Department of Neighborhood Preservation launched a program beginning in the late 1990s in coordination with a locally chartered nonprofit corporation, the Virginia Beach Community Development Corporation (VBCDC). The VBCDC is a private nonprofit housing corporation that maintains a close relationship with the city of Virginia Beach. The board of the VBCDC is appointed by the Virginia Beach City Council, and the city provides the organization with significant financial support. The nonprofit served as a vehicle to conduct the city's housing and community development objectives.

With the assistance of VBCDC, the city launched an effort to address conditions in these declining townhome communities. The effort was twofold: the city began a more rigorous inspection program of rental properties, targeting those that were most seriously deteriorated and issuing violations to the owners of the property while providing funding support to VBCDC to begin acquisitions in these

neighborhoods as properties came on the market. Working through realtors, VBCDC was able to identify properties early, often before they hit the market.

This strategy proved successful as improvements in this communities started within several years. Changing market conditions in Virginia eventually resolved the problem as property values began to rise and investors interested in the cheapest properties moved on to other locations.

Strategy 2: Consider Expansion of Accessory Dwelling Unit Allowances

Accessory dwelling units (ADUs) are small homes owned and managed by existing homeowners in the community. ADU programs often allow single-family homeowners to build small “accessory” units in garages, in the back or side yards, or attached to their homes. Some programs also allow ADUs within the existing building structure.

These units are low-cost by virtue of their small size, and they can be a source of affordable rental housing for people such as young workers and seniors. They often help families stay together on their property. ADUs can allow seniors to downsize into the ADU and lease the house to a larger family, using the extra income for health or other needs.

FRAMEWORK

Through changes to the local zoning ordinance, a jurisdiction can permit development of additional housing units on parcels currently zoned exclusively for single-family units. ADUs may be allowed by right in certain districts or permitted with a conditional approval. After construction, localities issue a certificate of occupancy that allows the homeowner to lease out the unit.

Christiansburg should expand its ADU allowances in its zoning ordinance to promote greater housing diversity and to spur additional investments in neighborhoods by allowing owners to increase the economic potential of their properties.

Rethinking ADUs in Christiansburg should involve the following:

- Considerations of neighborhood character and safely and cohesively allowing for this new type of development.
- Weigh the importance of owner-occupancy requirements for the primary housing unit on the property. In practice, this requirement severely restricts participation, especially by seniors who may be interested in downsizing to their accessory unit.
- Some programs require accessory units to be attached or detached rather than allowing them to be within the existing building envelope. Putting a small apartment on the second floor of an existing home is frequently the cheapest and most-desirable option for a homeowner. Updates to zoning ordinances should pay focus on requirements in local and state building codes.
- Common neighborhood concerns regarding ADU programs include parking. Other successful ADU programs have demonstrated that parking is seldom significantly impacted when the program is well-designed, accounts for the existing on- and off-street parking capacity in neighborhoods and sets minimum space requirements (if needed) according to unit size, lot size, and vehicle access.

IMPLEMENTATION PLAN

Immediate:

- Inventory certified or planned ADUs currently in town.
- Evaluate zoning ordinance to determine where ADUs are allowed by right and conditionally.
- Review town occupancy standards and make revisions as necessary to align with updated ADU ordinance.

- Contact other towns and localities across Virginia that are expanding their ADU programs.

Short-term (next 12 months):

- Develop a common vision for ADUs in Christiansburg by considering the following:
 - Type and size of ADUs desired
 - Allowances for the whole town, by neighborhood, or by zoning district
 - Relevant community concerns
- Determine ways that the town can proactively promote ADU development among homeowners, including public information campaigns and outreach to neighborhood organizations.

Mid-term (12–24 months):

- Draft an ordinance or package of ordinances to reform ADU allowances in town.
- Conduct formal public engagement via planning commission and town council hearings.
- Adopt a final version and make plans to revise as needed.

LEGAL, FINANCIAL, AND ORGANIZATIONAL CAPACITY

- Localities in Virginia have relatively wide authority to permit and regulate ADUs in residential areas.
- Although the town may be able to absorb planning costs within its budget, it may seek new funds if a widespread education component is desired.
- Not all homeowners who want to create ADUs may have the financial capacity to develop one. The town should collaborate with local banks and credit unions to ensure that useful loans and other financial instruments are available to help homeowners.

FUNDING SCOPE REQUIREMENTS AND PROJECTED IMPACT

- Funding requirements for the locality are minimal.
- If widespread ADUs are allowed and homeowners use the program, renters and seniors will have increased housing options in town, family and neighborhood connections will remain intact, and new investments will help improve neighborhoods.

POTENTIAL FUNDING SOURCES

- No external funding sources are likely required for this effort.

METRICS TO EVALUATE SUCCESS

- New ADU programs are initiated by the town via zoning reform and property owner education.
- Homeowners begin to apply for ADU permits.
- ADUs are given certificates of occupancy and are leased/occupied.
- Property values stabilize or increase.

RESPONSIBLE ACTORS AND THEIR ROLES

- Local planning staff draft ordinance(s).
- The planning commission and town council manage public input, provide feedback, and approve final ordinance(s).

Strategy 3: Improve/Strengthen code enforcement and inspection programs

Ensuring that existing housing remains safe and healthy is a crucial component of local housing strategies. Code enforcement and building inspection programs are at the forefront of these strategies. Through inspection and citation, traditional code and inspection programs often have an adversarial relationship with property owners that prevents the transformative changes needed.

Persistent vacant and deteriorating building conditions often indicate that much-needed investment in new and existing housing is unlikely without substantial subsidies. With a strong, proactive code enforcement and building inspection program, localities can work with property owners to improve properties in support of healthy and vibrant communities.

FRAMEWORK

Localities nationwide are seeing the benefits of strengthening and expanding their code enforcement and building inspection programs. In some cases, programs are partnering with community organizations and promoting coordination with other local agencies and departments. Such expansive programs lead to greater education and awareness of potential hazards as well as additional resources for residents and property owners. Strong and effective programs are focused on proactive, cooperative, and holistic strategies.

Many jurisdictions depend on residents to report code violations within their communities. Without local knowledge on housing codes and a risk of retaliation against tenants, this reactive approach results in few complaints. Instead, proactive code enforcement acts in tandem with a reactive, complaint-based approach to conduct periodic inspections of specific rental properties. This results in greater savings for localities and property owners when potential problems are identified before they worsen. A combined proactive and reactive approach allows for the identification and prioritization of violations that are more likely to cause serious health issues (e.g., mold or lead).

Cooperative compliance models go beyond inspection and citation by working with property owners to inform, educate, and provide compliance resources. Fostering positive relationships with property owners is an effective tool that often leads to greater improvements on a property. Partnering with community-based organizations increases capacity and helps bridge potential divides with residents and property owners that the local governments may face. Potential partners may include housing advocates, health professionals, immigrant service providers, social workers, and home repair programs.

Coordinating with local agencies and departments can lead to more efficient and effective health and safety initiatives. Intragovernmental collaboration affords an opportunity to streamline services that are offered by building inspectors, fire departments, health departments, and law enforcement by reducing duplicate services, filling gaps, and identifying early problems.

The Town of Christiansburg can further enhance its code enforcement program by adopting the preceding principles of a proactive, cooperative, and holistic enforcement program. By acting as a partner with residents and property owners, Christiansburg may see not only greater rates of compliance but also community revitalization.

The town may also choose to designate rental housing inspection districts pursuant to state code. The specific procedures, benefits and challenges associated with rental inspections are described in Strategy 1.

IMPLEMENTATION PLAN

Immediate:

- Code enforcement and other associated enforcement agencies such as fire, health, and law enforcement can convene to identify duplicate initiatives and potential gaps in service and information.
- Cross-agency discussions should also lead to the identification of target areas for proactive code enforcement.

Short-term (next 12 months):

- After target areas have been identified, code enforcement should engage with potential community leaders and partners to develop cooperative code enforcement strategies. These strategies should seek to proactively inform residents and property owners about violations and strategies towards compliance.
- Consider conducting a needs assessment among homeowners in all target areas to develop home rehabilitation programs that have maximum impact.

Mid-term (12–24 months):

- Deploy enhanced code enforcement program in targeted areas with partner organizations and agencies.

LEGAL, FINANCIAL, AND ORGANIZATIONAL CAPACITY

- Code enforcement and property inspections are stringently regulated by state code. Therefore, the town should ensure that any initiatives do not exceed its actual enforcement power.
- The Town of Christiansburg is expanding its staff capacity for code enforcement and should be able to accommodate the increase in administrative tasks.

FUNDING SCOPE REQUIREMENTS AND PROJECTED IMPACT

- The major expected outcome of this work is that homes in the town improve in quality, safety, and value—benefiting all residents. Homeowners and tenants will also benefit from better living conditions, improving their health and productivity.

POTENTIAL FUNDING SOURCES

- General fund
- Community Development Block Grant (CDBG funding—Localities can fund code enforcement activities with federal CDBG funds. This can include additional code enforcement officer salaries and related expenses, legal proceedings to enforce codes, and rehabilitation programs.
- Permits, licenses, and regulatory fees paid by property owners can be used to cover operating costs of code enforcement programs.
- Fines and penalties resulting from housing code and zoning violations can be redirected back toward code enforcement programs.

METRICS TO EVALUATE SUCCESS

- The primary metric to determine the success of code enforcement programs is based on an assessment of existing code violations, that is, the percentage of properties brought into compliance from a baseline inventory.
- In addition, program success can consider the method by which properties were brought up to code (whether voluntarily or punitive remedies) and the level of improvements (whether minimum improvements required or beyond).

RESPONSIBLE ACTORS AND THEIR ROLES

- Code enforcement officers will continue to play their traditional roles; however, they will have increased focus on building relationships with residents and property owners. Local planning departments and representatives should take the lead in supporting changes within code enforcement.
- Partner organizations, which may include local housing advocates and community-based organizations, will bridge the divide between local government officials and the community. These organizations will provide greater understanding and awareness of the importance of safe and healthy building conditions.
- Relevant enforcement agencies and departments such as fire, law, and health will work with code enforcement to coordinate safety initiatives and streamline community services and violation referrals.

EXAMPLES AND BEST PRACTICES

City of Newark, New Jersey – In 2014, Newark developed the Life Improvement Task Force, an intragovernmental working group that consisted of directors and staff of enforcement agencies. The working group convenes to address urgent community matters regarding health and safety and works to better coordinate services and enforcement.

City of Greensboro, North Carolina – Since 2003, Greensboro code enforcement has worked with a nonprofit advocacy organization, Greensboro Housing Coalition (GHC). Initially, GHC worked with code enforcement managers to promote minimum safety standards among Greensboro's rental properties. In 2013, Greensboro established a formal partnership with GHC to develop a public education campaign on rental property code compliance. Code enforcement officers interact regularly with GHC counselors to prevent resident displacement and to ensure that code violations are handled with the community in mind.

City of Santa Clarita, California – In 2008, Santa Clarita developed the Extreme Neighborhood Makeover Program. This innovative program was focused on motivating residents and property owners to be engaged in code enforcement and community beautification. The program was based around a welcoming event that invited residents in target areas to join neighbors, local government officials, and nonprofit organizations to clean up their neighborhood, meet each other, and enjoy food. The event also provided information to residents on local services and on programs such as the Residential Rehabilitation Grant Program.

After the event, the city's community preservation staff sent thank you letters to participating homeowners as well as letters about violations. The event provided a means for code enforcement officers and local government to build positive relationships with community members.

The relatively small investment of \$4,500 per event led to the revitalization of over 400 homes, and 95 percent of homes previously cited for violations reached compliance. The success of the program has since sparked interest in similar programs in Seattle, Washington and Birmingham, Alabama.

Strategy 4: Promote adaptive reuses of institutional properties

Localities are seeking innovative ways to address ever-expanding and changing housing challenges in their community, especially in the wake of stagnant or declining public resources. Some municipalities are looking inward for strategies, including reimagining public real estate assets. Because of higher levels of site control, these properties represent major opportunities for new housing investments.

FRAMEWORK

Even in strong markets, localities may continue to hold real estate that is vacant or underused. Consider developing plans for adapting and reusing surplus properties by doing the following:

- Creating an inventory of all surplus assets.
- Evaluating housing potential for holdings.
- Soliciting public input to develop criteria for requests for proposals (RFPs).
- Releasing RFPs for real estate assets that the town wants to develop.
- Evaluating responses and select development partners.

IMPLEMENTATION PLAN

Immediate:

- Identify all town-owned parcels that are vacant or underused. Develop a database of these properties and their relevant information.
- Begin to craft an RFP-based transfer/disposal process that prioritizes housing for new proposed uses.

Short-term (next 12 months):

- Consider the zoning, topography, utilities, and existing structures on all properties and evaluate the potential for residential development, including types beyond single-family detached homes.
- Identify one or two key properties with high development potential to initiate a pilot initiative.

Mid-term (12–24 months):

- With public input, develop an RFP that includes the following:
 - Housing production and affordability requirements
 - Expectations for special populations (e.g., seniors)
 - Breakdown between owner-occupied and renter-occupied housing
 - Development timeline, phasing, and affordability periods
 - Site improvements and infrastructure improvements
 - Other relevant considerations
- Release the RFP widely throughout the town and region; leverage Housing Virginia (formerly VHDA) to attract high-quality responses.
- Evaluate responses, solicit additional public input, and make final selection.

LEGAL, FINANCIAL, AND ORGANIZATIONAL CAPACITY

- The town must follow ordinances that govern the transfer and sale of publicly owned land. Alternatively, the town may elect to retain ownership of the land and enter long-term ground leases with the developer for improvements.
- Crafting, releasing, and evaluating an RFP requires skill and time. The town should ensure that its staff are capable before formally starting the process.

FUNDING SCOPE REQUIREMENTS AND PROJECTED IMPACT

- There are limited funding requirements beyond administrative costs to oversee the process. However, depending on specific scenarios, the town may elect to provide funds that support site improvements and/or assist with housing affordability.
- The impact of this strategy depends on the amount, scale, and type of real estate offered for development along with the eventual plans for residential use on such properties.

POTENTIAL FUNDING SOURCES

- The town can absorb some costs into its operating budget. It may also elect to reserve and dedicate federal grants (e.g., CDBG) and/or capital improvement dollars.
- Once private nonprofit or for-profit developers are selected to improve a property, those entities will be responsible for raising all necessary capital.

METRICS TO EVALUATE SUCCESS

- Number of parcels identified for future housing development.
- Meetings held with public and other stakeholders to develop an RFP process.
- Number of RFPs released and number of qualified responses received.
- New housing units developed on underused public land.
- Increase in taxable real estate.

RESPONSIBLE ACTORS AND THEIR ROLES

- Town planning staff and attorneys will investigate surplus properties, develop an RFP process, and evaluate responses.
- Planning commissioners and councilmembers will also review RFP process, provide feedback on responses, and make final decisions regarding transfers.
- Third-party developers will submit responses to RFPs and, if selected, undertake design and construction pursuant to the final proposal.

Strategy 5: Align housing and community development efforts

The Town of Christiansburg has recently accelerated its community development planning efforts for downtown and adjacent neighborhoods. These efforts are aimed at fostering high-quality places that attract and retain residents, build a diverse tax base, and promote the town as a cultural destination. To guarantee the long-term success of these endeavors, the town should ensure that a wide range of housing types and prices are made available for future community development.

FRAMEWORK

The town recently completed the Christiansburg Placemaking Plan for the Downtown, Cambria, and Midtown neighborhoods. This plan advances the town's continued evolution into a vibrant community. It provides a useful framework to foster high-quality spaces, connectivity and accessibility, and property uses that better reflect the needs and desires of residents and visitors.

The approach of developing retail, commercial, and residential property near each other has proven to be an effective strategy in mid-sized and larger communities. These communities provide the vitality that shoppers, workers, and residents desire. When undertaking this type of development, it is typically more financially feasible to lead with residential development and follow with commercial, unless a commercial tenant is identified at the outset of a project.

As the town proceeds with objectives outlined in the placemaking plan, it should consider complimentary residential strategies that not only address existing housing needs and gaps in the community but also provide a strong foundation for ongoing economic and community development efforts.

To align with the placemaking plan, the town should employ the following housing strategies to each of the neighborhood "action areas."

Downtown:

- **Strategy D2.6** is a prioritized strategy in the placemaking plan that calls for additional workforce and market-rate rental housing in the upper floors of downtown buildings. The town should pursue this objective using the action steps provided on page 58 of the plan.

A variety of resources are available to support the development of mixed-use and workforce housing. Chief among these is Virginia Housing, (formerly VHDA) which offers a mixed-use development loan program targeted to mid-sized and smaller communities.

The program also offers flexible income targeting, which is critical in communities where the market is weaker and flexibility in rent is needed. Virginia Housing's mixed-use program requires at least 50% of the development to be residential (it is often higher). The income limits range as high as 150% of AMI, which allows these developments to serve a wide range of workers.

- **Strategy D2.4** calls for the development of infill buildings on empty lots in the downtown footprint. Depending on the parcel size and location, residential uses should be encouraged in

any new construction. These new households expand the customer base for high-quality retail and other amenities outlined in the placemaking plan.

Residential uses in infill development can be facilitated using the following:

- Ensuring that dwelling units have permitted principal use in zoning ordinances that cover vacant lots or that they have conditional use with relatively low-barrier conditions.
- Investigating whether vacant lots have needed utility hookups. If there are many lots without hookups, the town should consider a program to waive or reduce hookup installation costs to promote infill.
- Proactively identifying zoning conformity problems on lots, such as narrow parcel widths or required setbacks that might prevent a by-right development. The town may develop “fast-track” approvals for minor geometric variances.
- Speaking with developers of any recent infill projects to determine the barriers that unnecessarily slowed or complicated the process.

Cambria:

- **Strategy C2.2** calls for eliminating zoning conflicts to promote the adaptive reuse of buildings, especially multi-story commercial structures. This also aligns with Goal 5.6 of the “Destination 2022” plan, which encourages residential uses in upper floors.

Along with remedying existing zoning conflicts that prevent dwelling units in existing structures, the town should promote upper floor residential reuse using the following:

- Determining where parking requirements for residential uses in existing zoning are burdensome, especially if ample street or off-street parking options exist.
- Conducting outreach to current owners of building with vacant upper floors to collect information on building conditions, prior efforts to develop dwelling units, and current barriers for development.
- If applicable, connecting property owners with guidance on federal and state historic tax credit programs.
- Developing a pilot micro-grant program to provide owners with funding that may be applied to building upgrades (e.g., electrical, plumbing, HVAC systems, and structural improvements) and other projects to increase accessibility and safety associated with the creation of dwelling units.

Midtown:

- **Strategy M1.2** calls for tax abatement incentives to property owners for façade improvements. Homeowners and residential property owners should also be eligible for these incentives, especially if their properties are along or adjacent to major entryways and corridors.
- **Strategy M2.1** calls for infill development in underutilized areas. The town should apply the same action plan as described for Strategy D2.4.

- **Strategy M2.2** calls for multi-story developments along the North Franklin Corridor. The town should pursue many of the same actions as described in Strategy D2.6. Along with Virginia Housing’s mixed-use/mixed-income product, the town should consider low-income housing tax credit (LIHTC) development in this area to provide high-quality rental housing options for the nearby commercial workforce.

IMPLEMENTATION PLAN

Immediate:

- Identify underutilized buildings, vacant sites, and other locations with development potential in downtown area.
- Review current zoning and assess ownership. Study the potential to consolidate sites into larger parcels that may be more attractive to developers.
- Invite Virginia Housing to explain their mixed-use program and how they can assist the town. Invite Virginia Community Capital (VCC) to describe their community development lending programs that could assist the town in land and property acquisition.
- Meet with Virginia Department of Housing and Community Development (DHCD) representatives to review programs and resources that strengthen the town’s efforts to develop mixed-use and workforce housing.
- Meet with the Virginia Community Development Corporation (VCDC), which provides investment equity for historic tax credit projects as well as LIHTC developments. VCDC specializes in development in small and mid-sized communities.

Short-term (next 12 months):

- Consider the creation of a land bank (now permitted under state law as of the 2016 session of the General Assembly) that can assist in acquisition and consolidation of sites, both for larger-scale mixed-use development as well as small-scale infill. A land bank would help qualified developers acquire property at low cost and with few barriers.
- Hold an information session to outline the town’s goals, show available sites, and provide advice to developers and current property owners interested in revitalizing their holdings.
- Work with owners who are unwilling to sell and connect them with financing resources and development partners.
- Assess the budget capacity for a micro-grant program to incentivize adaptive reuse, especially residential, on the upper floors of existing buildings.

Mid-term (12–24 months):

- Produce a housing development plan for the town with goals, objectives, and timeframes. Work toward RFPs for mixed-use development on one or more sites in town.

LEGAL, FINANCIAL, AND ORGANIZATIONAL CAPACITY

- The town may wish to procure real-estate development consulting assistance to help with this strategy. The planning staff and town attorneys will need to address issues of zoning and land use.

FUNDING SCOPE REQUIREMENTS AND PROJECTED IMPACT

- Funding requirements depend on the scope and scale of the initiatives outlined in this strategy.

- The typical cost for developing a single residential unit in a mixed-use development exceeds \$100,000 per unit. Therefore, identifying gap financing that can reduce the cost of the development to the affordable range is critical.
- Micro-grant funding can make a big impact with relatively low budget allocations. For example, an annual micro-grant fund of \$50,000 may support 10 property owners with \$5,000 each.