



Virginia
Housing



CHMURA

The background features three wooden blocks of varying heights and colors (light wood, medium wood, and dark blue) stacked to resemble houses. The blocks are set against a warm orange-to-white gradient background. A white wavy shape separates the top image from the text below.

Housing and Economic Development in Virginia

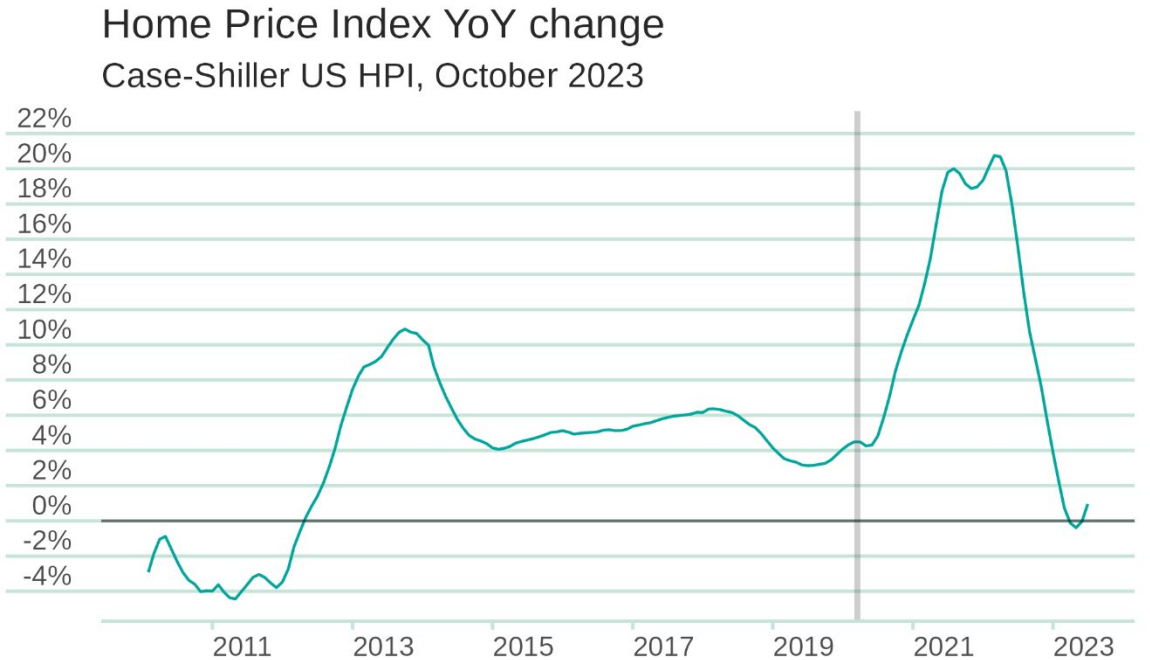
Southern Virginia Regional Housing Summit
October 17, 2023



► Housing and Economic Competitiveness

The current housing crisis:

- High prices
- High borrowing costs
- Low supply



Source: S&P Dow Jones Indices LLC

► Housing and locational decisions

- Housing is increasingly at the forefront of decision-making for households at almost all income levels.
- Decisions about employment often require workers to find housing when there may be no suitable units available.
- Worker mobility is essential to economic growth, particularly for young first-time homebuyers.
- We wanted to understand this dynamic across Virginia.

Primary Goals

1. To understand the role of housing in local and state economic competitiveness through interviews and focus groups.
2. To document examples of other regions or states integrating housing and economic development strategies.
3. To identify next steps in aligning economic development and housing needs and goals.

The result is a report we look forward to sharing with you all soon.

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Who is Chmura?

We provide labor market data and analysis

so you can make informed decisions to help your communities and businesses thrive.



Founded in 1998

by Christine Chmura, PhD.

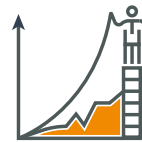


Offices based in **Richmond, VA, and Cleveland, OH.**



We are economists, data scientists, statisticians, and business professionals

who care about helping your community and business grow.



We are driven by **client satisfaction and success.**



Our top priority is excellence in customer service and data quality.

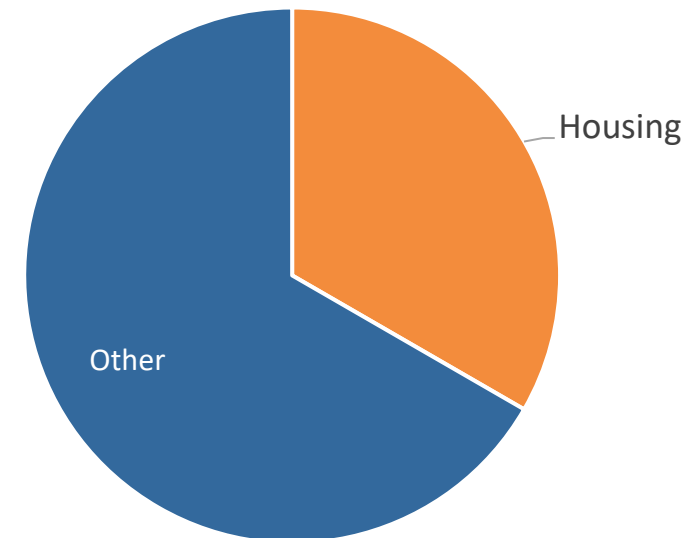


Housing and Economic Development are Intricately Connected

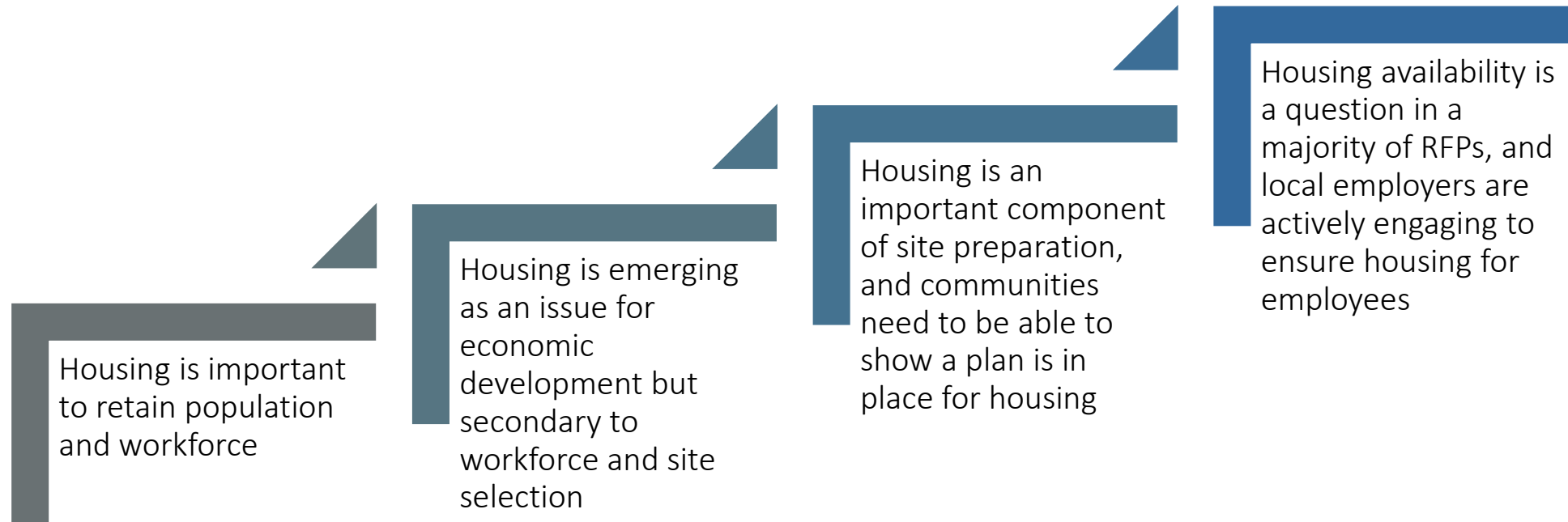
Inadequate housing supply hampers workforce mobility, limits job opportunities, and negatively impacts a state's economic competitiveness.

- Virginia is projected to add more than 140,000 new jobs by 2033 (conservative baseline)
- Housing affordability is needed to attract and retain the needed workforce to fill these jobs
- Cost of living is heavily driven by housing and rental prices
- Currently, Virginia ranks #12 among states with the highest median home price value

Housing Represents about 1/3 of the Market Basket Used to Track Inflation

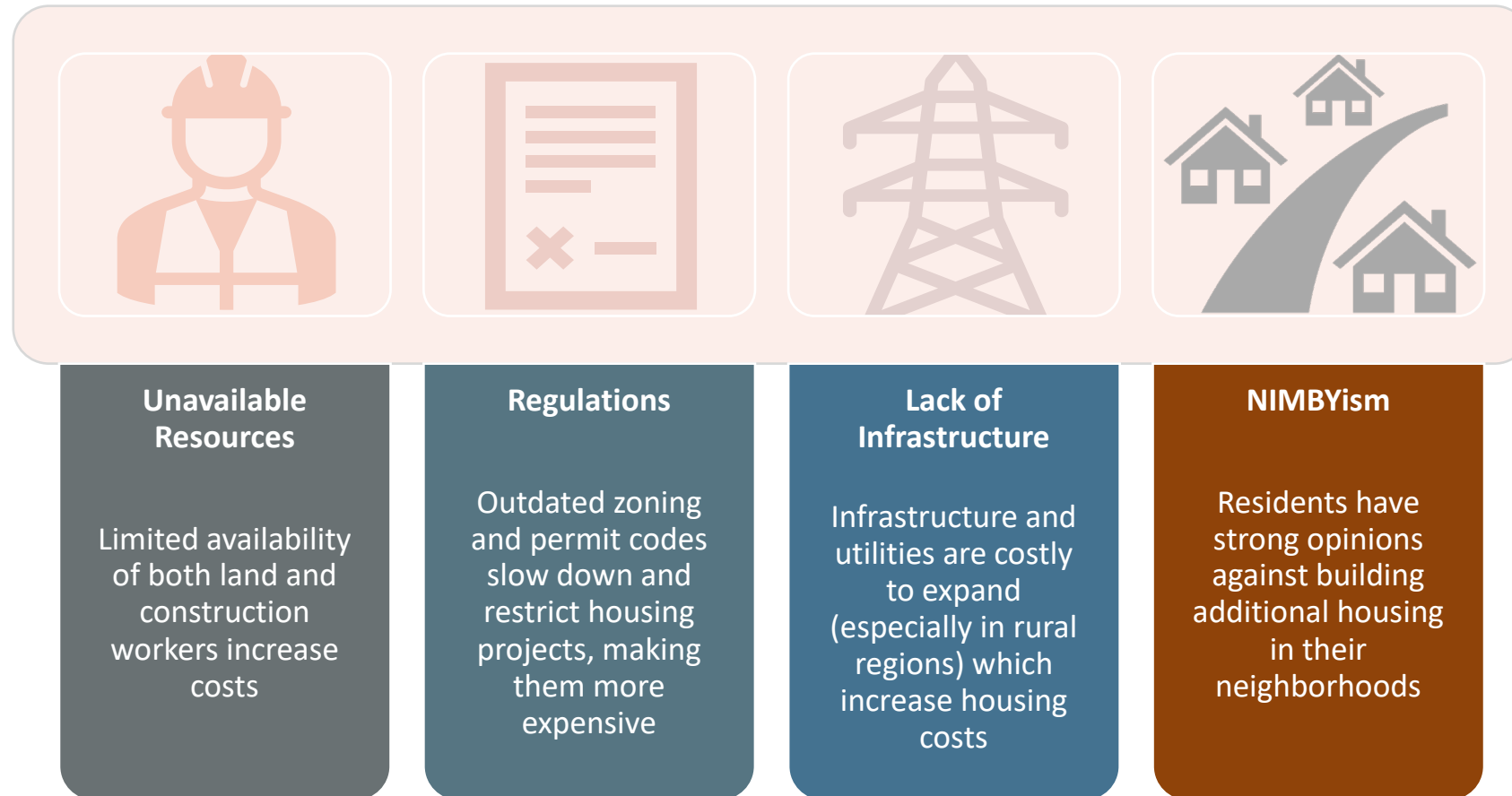


Most Stakeholders Believe Housing Has a Critical Role in Economic Development



“Housing and economic development are one and the same.”

Regions Share Common Barriers to Increasing Housing Supply



Some Preliminary Recommendations

Virginia Must Expand Availability and Reduce Barriers, Including...

- Update zoning for housing innovation in growth plans
 - Especially around innovations like manufactured housing

- Foster construction workforce participation
 - Expanding training programs and transferable skills

- Develop additional financing options
 - Such as partnering with regional employers on mortgage assistance

- Lower the cost of regulation
 - Streamline permitting and review processes

Build on Efforts Positioning Housing as a Pillar for Economic Development

Incorporate economic development goals in housing plans and housing in economic development plans

Align economic development and housing planning efforts.

- Economic growth and housing are inseparable, and planning for the future has to reflect that.

Ensure that communities have the capacity and flexibility to use state and local dollars to address the biggest barriers to economic growth

-From site preparation to workforce housing

Foster collaboration among agencies

Increase housing data availability and transparency

Empower a Regional Approach

- Housing markets and labor sheds don't stop at municipal boundaries
- To meet the needs of Virginians, efforts to address this housing crisis must continue to foster regional collaboration



Increase Engagement with Private Employers

- Encourage Public Private Partnerships (PPPs)
 - Facilitate collaborative efforts between state, localities, and employers in the form of PPPs that can be used to develop key infrastructure, assist with financing, or directly construct housing.
- Promote Virginia as a leader in housing innovation and attract businesses that support innovation



Conclusion

- Housing supply gaps inhibit workforce mobility, job opportunities, and economic competitiveness
- A sustainable economic development plan needs to be supported by a corresponding housing development strategy, and vice versa
- Solutions to address housing needs are needed at state, regional, and local levels
- Regional approaches such as this Summit are considered best practice for uniquely addressing housing and economic development needs



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