

February 2020

THE IMPACT OF RACISM ON AFFORDABLE HOUSING IN CHARLOTTESVILLE

A report by the Charlottesville Low-Income Housing Coalition



*This report is dedicated to the many lower-income residents of Charlottesville
who shared their thoughts and dreams when we knocked on their doors.*

Cover photo by Brenda Castañeda

About the Authoring Coalition

The Charlottesville Low-Income Housing Coalition (CLIHC) is a coalition of residents and community-based organizations standing **against** displacement, and **for** increased affordable housing for very low-income people. The organizations active with CLIHC include Habitat for Humanity, the Legal Aid Justice Center, the Public Housing Association of Residents (PHAR), and Showing Up for Racial Justice (SURJ).

Formed in January 2017, CLIHC engages in the following activities:

- Advocates for the City of Charlottesville / Charlottesville City Council to demonstrate a commitment to racial and economic justice through increased affordable housing, more diligent community-based planning, investment in underrepresented communities, and a fair and equitable zoning code.
- Provides community oversight to ongoing activities in the City of Charlottesville pertaining to affordable housing issues, most especially the City Council, Planning Commission, Housing Advisory Committee (HAC), Strategic Investment Area, Form Based Code, Zoning, and Special Use Permit process.
- Builds coalitions between community members and local groups to continue to work toward affordable housing and racial and economic justice in the Charlottesville area.

Please see the CLIHC website (<https://affordablehousingcville.org/>) for more information.

Thank you! This report is the result of hundreds of students, activists, academics, organizers, and committed community members who donated hundreds of hours to researching, writing and discussing this information. **Thank you to the hundreds of people who helped make this report happen!** We apologize to anyone who helped but whose name is not on the list below.

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The Impact of Racism on Affordable Housing in Charlottesville

A report by the Charlottesville Low-Income Housing Coalition

Executive Summary

Charlottesville is experiencing an affordable housing crisis. Housing costs are too high for many renters to afford, averaging \$1384 per month in the so-called competitive complexes. Since 2012, the cost of housing in Charlottesville has risen by an average of five percent (5%) per year. Families who have lived in their neighborhoods for generations are being pushed out by luxury housing complexes and new business. This report demonstrates that these changes hurt Black communities the most. Further, the lack of housing options has forced many Black families to leave the area in search of more affordable housing.

Several studies confirm this outcome. The City of Charlottesville has found that more than 3,300 households in the City have unmet housing needs. Similarly, the 2018 Orange Dot report found that a family of three, comprised of one parent and two children, needs to earn at least \$45,184.02 each year to live in Charlottesville. A full-time worker making minimum wage in Charlottesville, however, will earn only \$15,080 each year, not enough to cover even his or her housing costs. In fact, a shocking twenty-five percent (25%) of Charlottesville families do not earn enough to meet the costs of living and working. With workers in Charlottesville receiving too little pay and the price of housing skyrocketing, affordable and decent housing remains out of reach for many residents, especially for Black communities.

Unfortunately, state law cabins Charlottesville's ability to build more affordable housing. With most developers opting to pay into an affordable housing fund rather than building affordable units, and subsidized units providing only a partial solution, we must come together as a community to find creative solutions to our growing affordable housing problem.

When we asked Black residents how they feel about their neighborhoods, we were unsurprised to learn that their micro-communities, the networks and relationships they have with their neighbors, are important to them. They want to stay in their homes, surrounded by their friends and families. It is our job as part of the larger community to meet this desire. These residents are part of what make Charlottesville unique, and they have earned the right to control their neighborhoods and live in the city.

These problems did not occur overnight. Understanding Charlottesville's history of blatantly racially motivated zoning rampant racial covenants, racial zoning masked as single-family zoning, destructive urban renewal, and *de facto* segregation, helps inform what changes we need to make as we move forward.

This history of housing and neighborhood development in Charlottesville from 1900 to today tells us three things:

- 1) Charlottesville has a long history of intentionally zoning neighborhoods to segregate based on race and class and to limit the ability of low-income people of color to build wealth through property ownership. In every instance, decision makers in Charlottesville did not simply follow established regional and federal policies; they went above and beyond these policies to exclude people of color. From racial covenants, to single family zoning, to small area plans, Charlottesville has always found ways to keep wealth and

power in the hands of a largely white minority of wealthy residents. At the same time, extremely-low-income residents and people of color have not had the same access to stable housing and mobility as their white neighbors.

- 2) Our affordable housing crisis and neighborhood segregation today are a direct result of these policies.
- 3) If we do not change our ways, we will continue to follow the same racist path that Charlottesville has followed for generations.

The situation may seem, and currently is, bleak, but we can address our affordable housing crisis, and we can make Charlottesville a welcoming and stable community for all residents, especially Black people and low-wealth communities.

In order to build on the needs assessment and created an informed strategy, CLIHC suggests the following actions:

Charlottesville Should Approach Any Efforts to Address Affordable Housing through an Equity Lens.

- Using an equity lens requires the City to make a conscious effort to confront and correct past discrimination, share power with and learn from those residents who are directly affected by potential changes, and employ low-wealth residents in efforts to bring about change.

Charlottesville Should Build upon and Improve Those Tools It Already Has.

- By continuing to invest money and resources into public housing, Charlottesville can dramatically improve the lives of many low-wealth residents by supporting the Housing Authority as it both continues with redevelopment of some sites and improves the conditions at other sites.
- By increasing allocations to for the Charlottesville Affordable Housing Fund, the City can expand the opportunities for the creation of new affordable housing.
- By increasing funds and improving the strength of the City Voucher program, the City can increase the number of families who can access housing through the program, both in terms of dollar amounts available and the number of landlords who will accept these vouchers.
- By replacing the Landlord Risk Reduction Program with an education and security deposit program, Charlottesville can reduce false negative stigmas many landlords have against tenants with vouchers and help increase the number of units available to low-wealth tenants.

Charlottesville Must Adopt New Approaches and Financial Policies to Generate Funds.

- Charlottesville should commit to tax increases using an equity lens and make clear commitments to use the increased revenue to provide affordable housing for very low-income people and address displacement.
- At the same time, Charlottesville should improve the Charlottesville Housing Affordability Program to provide tax relief to low-wealth homeowners.
- The City should issue bonds through the Housing Authority using any budget surpluses to help fund redevelopment.
- The City should explore long term solutions made possible through taxes, including:
 - Using tax revenue to stop displacement from at-risk neighborhoods.
 - Enacting taxes that discourage speculators coming into at-risk neighborhoods and buying up affordable housing or building expensive housing that causes the neighborhood's property taxes to dramatically increase.
 - By contrast, providing tax relief for landlords who actively work to help low-wealth renters.
 - Freezing tax assessments in vulnerable neighborhoods.

Charlottesville Should Combat Historically Discriminatory Zoning Laws by Enacting Equitable Zoning Laws.

- Taking into consideration Charlottesville's racist history of zoning laws, the City should work to redress the impacts of those laws and re-zone impacted neighborhoods, such as by up-zoning strategically located neighborhoods that were impacted by exclusionary zoning to now allow for multi-family dwellings.
- By contrast, the City should downzone some neighborhoods to curtail the explosion of new market-rate units and instead increase affordable units.
- Charlottesville should restrict use of short-term rentals in place of providing long-term affordable housing.
- The City should include low-wealth residents in decision-making for any development of small area plans.
- Charlottesville should actively work to prevent further displacement from historically Black neighborhoods.
- The City should work to improve the system in place to develop new affordable housing.
- Charlottesville should use Neighborhood Development Services as a tool to increase affordable housing.

Charlottesville Should Work to Foster and Deepen Relationships with Community and State Partners.

- Charlottesville should collaborate with local nonprofits working with low-wealth residents.
- Charlottesville should work towards a goal of providing free legal counsel to all tenants, as other municipalities have begun doing.
- The City should work in conjunction with Albemarle County and focus first on the County's urban ring, as many residents displaced from the City move to the County.
- Charlottesville should ensure that the University of Virginia continues to address the impacts it brings upon the City and contributes to affordable housing efforts.

Charlottesville Should Fight for Legislative Changes that Will Increase Abilities to Address Housing Concerns.

- Municipalities in Virginia are hindered in their ability to push for creative changes by the Dillon Rule, and Charlottesville should support efforts to become a home rule state, as well as not use the Dillon Rule as an excuse to enact changes that would currently be allowed.
- Charlottesville should join advocates in pushing the General Assembly to allow more flexible inclusionary zoning.
- Charlottesville should fight to enact legislation and policies that would reduce evictions and increase tenant organizing protections, giving stability and voices to tenants.
- Charlottesville should implement rent control or rent stabilization.

By making these changes, Charlottesville can work towards its claim of being a world class city, and towards creating a healthy and secure place to live for all its residents.

Introduction

Adrienne¹ works and lives in the City of Charlottesville. Because her driver's license was suspended by an unconstitutional law, she relied on public transportation to get to her job, and thus needed housing within the city. After struggling to pay for groceries for her two young children, she found what affordable housing was available to her given these constraints. This is how she found herself sleeping in the same bedroom with two of her children, sharing a house with other families. This is what the struggle to find affordable housing looks like in the City of Charlottesville.

We are in the midst of an affordable housing crisis in Charlottesville. Since 2012, the cost of housing in Charlottesville has risen by an average of five percent (5%) per year.² As housing costs have risen, housing options for higher income households have blossomed across the City.³

Our less well-off neighbors have not been so fortunate. Their taxes have risen dramatically alongside assessments, sometimes doubling over the course of a year. Rising rents disproportionately burden low-income and Black families, and many homeowners see selling to outside investors as their only option. This has led to widespread displacement and a decline in the number of longtime Black residents. The City of Charlottesville's own recent affordable housing study estimates more than 3,300 households currently have unmet housing needs in the City.

Charlottesville residents and elected officials frequently state a commitment to diversity and equity; however, according to the City's own records, the legacy of displacement of Charlottesville's Black residents continues today. Housing instability and unaffordability compound negative outcomes for our lower-income neighbors.

For instance, rising home prices create an insurmountable barrier to ownership for many low- and moderate-income people in our community. The shortage of rental homes, skyrocketing rent charges, combined with low wages for jobs essential to our City's functions keeps family stability out of reach.

This trend is a mere continuation of Charlottesville's painful history of intentional housing discrimination and racism. Given this history, pursuing affordable housing today moves us towards racial justice, reparations, and a commitment to preserving low-income communities—those whose voices have been silenced in the past.

To combat this silence, CLIHC asked more than 100 local residents about their experiences finding and keeping an affordable home in this community. Their input shows that low-income people face many barriers, such as inadequate transportation, rapidly rising rents and taxes, and jobs without adequate pay. We share their concerns about widespread and irreversible changes to their neighborhoods. Of special concern is the displacement of low-income people, which results in a decline in diversity, the loss of a sense of community, and the perpetuation of a system of white supremacy that has characterized Charlottesville's history.

Will the City continue to tolerate housing instability, as evidenced by frequent evictions, repeated changes to school assignments, and displacement to remote communities, where people are one car breakdown away from losing their job? Will Charlottesville's children continue to grow up in racially and economically segregated neighborhoods and schools? Or will our City recognize the value of preserving a diverse community and take the necessary

steps to stem displacement? Setting a new path will require a coordinated and long-term plan complete with annual budgetary commitments by policy makers.

This is a watershed moment, and transformation is still possible. Together, concerned Charlottesville residents can insist on a future where all community members have access to excellent transportation, childcare, education, healthcare, and other services. A Charlottesville with a stable supply of affordable, decent housing provides widespread benefits: communities that provide such options have less crime, more mobility, better schools, and better health outcomes. Housing is a shared concern, and so it is up to us—the Charlottesville community—to halt Charlottesville’s growing racial and economic segregation.

Nothing can undo the Summer of Hate, but we can unify around racial and economic justice in its wake. We can choose now to focus on developing the resources low-income people in this community need and deserve. This is how we can love and protect one another.

The information in this report comes from a variety of sources. It illustrates the human impact of local racism and neighborhood displacement. The report considers where we are, how we got here, and what we can do to improve. We highlight many tools that offer opportunities for lower wealth people to gain equity and stability and that can protect diversity. We hope this report helps to shed light on the current housing crisis and provide practical solutions to make Charlottesville a truly equitable and just community with opportunity for all.

Section 1. The Current Context

Charlottesville touts itself as a “world class city.” It is the home of several settler-colonial U.S. historical sites, an internationally renowned university, a vibrant downtown scene, many craft breweries and wineries, and an emerging tech industry.

But Charlottesville is also a bastion of widening income inequality. Since 2010, “the number of families earning over \$150,000... increased by 96%.”⁴

This dark side of Charlottesville reaches back to the region’s history of slavery and long-standing racial and economic segregation and oppression. While the number of wealthy Charlottesville families skyrocketed, “the number of families earning less than \$35,000 has increased by 10 percent.”⁵

The Economic Policy Institute’s 2015 comprehensive study on income inequality indicates that Charlottesville ranks among the highest in the country for wage gaps, with the top one percent (1%) of persons with the highest incomes generating \$2 million annually, and the remaining ninety-nine percent (99%) of the Charlottesville community earning an average of \$61,000 per year.⁶

This section provides a numerical snapshot of the overall wealth and income disparity in Charlottesville and the need for affordable housing. We start with the cost of living in Charlottesville and discuss the City’s 2018 housing needs assessment. We then briefly touch on an independent study conducted by our coalition. The section which follows fills a gap often left out of the conversation—stories and impressions of neighbors and community members experiencing housing insecurity and neighborhood change.

A. The Cost of Survival in Charlottesville

The cost of living in Charlottesville includes the costs of food, transportation, utilities, childcare, and rent—all of which add up much more quickly for low-income families. The Charlottesville Works Initiative (CWI) has been tracking these costs since 2011 in its Orange Dot Report, now in its third iteration ⁷

The 2018 Orange Dot Report showed that to afford the basic necessities of life—food, shelter, clothing and utilities in Charlottesville, an average family (one parent, two children) needs to earn \$45,184 annually.⁸ Note that a full-time worker making minimum wage in Charlottesville will earn only approximately \$15,080 annually, which is not enough to even cover their housing costs alone.⁹

The cost of living measures in the table below are based on the 2018 market rate cost of a two-bedroom apartment. At that rate, all the money earned by a minimum-wage worker would go to a landlord for rent and still not cover the full expense.¹⁰

Charlottesville Expenses: Single Householder + 2 Children (1 Toddler)			
	Annual	Monthly	Weekly
Food	\$5,995.08	\$499.59	\$115.29
Clothing	\$1,006.11		
Shelter	\$15,900.00	\$1,325.00	
Utilities	\$2,601.67	\$216.81	
Necessary Costs	\$5,001.57		
Survival Expenses	\$30,603.43		
Childcare	\$12,480.00	\$1,040.00	\$260
Transportation	\$2,100.5923		
TOTAL Expenses	\$45,184.02		

(Source: Schuyler, Ridge. "Orange Dot Report 3.0." Found at: https://www.pvcc.edu/files/media/orange_dot_project_3.0.2018.online.pdf, page 30)

The annual "Out of Reach: The High Cost of Housing" report by the National Low Income Housing Coalition (NLIHC) confirms these numbers and trends.¹¹ In fact, NLIHC suggests that these numbers are in fact slightly higher (\$47,160 annual salary to afford a two-bedroom apartment).¹² **Nonetheless, in a city where sixty-two-point-two percent (62.2%) of the population rents, the research consensus is that escalating living expenses have brought affordable housing to a crisis point.**¹³

The Orange Dot Report also tracked the number of families living in Charlottesville who earn too little to provide for their families. In 2018, an incredible twenty-five percent (25%) of Charlottesville's families (2,056) did not earn enough to afford basic necessities and costs associated with maintaining a job.¹⁴ While the poverty population rate has remained relatively stable, the cost of living in Charlottesville has increased by twenty-nine percent (29%) since 2010.¹⁵

Affording basic necessities is only getting harder. Rents have increased by forty-two percent (42%) from an average of \$931 per month to \$1,325 per month between 2011 and 2018.¹⁶ One consultant who assessed the City's housing needs found that in 2017 alone, rent increased by nine-point-four percent (9.4%).¹⁷ **Families getting squeezed by rent can barely keep up with necessary expenses, much less set money aside for unexpected expenses. Moreover, this burden is not equally distributed across racial groups. According to the City's draft "Analysis of Impediments to Fair Housing Choice," Latino and Black households bear a disproportionate share of the affordable housing shortage burden.**¹⁸ Without a financial buffer, many families are one medical expense or car repair away from losing their homes.

B. Housing Needs Far Surpass Supply

The Charlottesville Low-Income Housing Coalition requested a housing needs assessment from Charlottesville City Council on the difference between the need for affordable housing and the available supply of affordable housing.¹⁹ In response, the City Council commissioned a comprehensive report on affordable housing needs in the City, which was published in 2018 by Partners for Economic Solutions (PES).²⁰

The report showed **more than 3,300 households have unmet affordable housing needs, including approximately 500 current units in desperate need of rehabilitation.** The report also found the gap is worsening; by 2040, under current trends, more than 4,000 people will have unmet needs.²¹ The chart below shows total rental housing needs:

Type	2017 Units	2040 Units
Severely Cost-Burdened Households	1,750	1,950
Other Cost-Burdened Households	940	2,070
Replacement Public Housing/Section 8	439	TBD
Homeless	189	TBD
Total Units	3,318	4,020

Housing Needs Assessment, Socioeconomic and Housing Market Analysis,
Partners for Economic Solutions and FBCI (April 4, 2018).²²

To better understand what an “average” household in Charlottesville can actually afford in housing costs in comparison to the average market rent, the chart below shows what families of different sizes should be spending on rent based on their percentage of the area median income (“AMI”).

According to the Housing Needs Assessment, **the average rent in competitive private complexes in Charlottesville is \$1,384, putting stable housing far out of reach for over a quarter of Charlottesville’s families.**²³ For perspective, *a single person working a minimum wage job in Charlottesville would need to work 147 hours a week (21 hours a day) in order to afford the average rent in a large apartment complex in or near the City—literally impossible.*²⁴

Affordable Rents by Unit Size and Income Bracket, 2017				
	Percent of Area Median Income (AMI)			
Unit Size	30%	50%	60%	80%
Gross Monthly Rents				
Efficiency	\$400	\$670	\$810	\$1,070
1-Bedroom	\$460	\$770	\$920	\$1,230
2-Bedroom	\$550	\$910	\$1,090	\$1,460
3-Bedroom	\$580	\$960	\$1,150	\$1,530
Note: Gross rents reflect HUD's affordability standard of 30 percent of income. Source: U.S. Department of Housing and Urban Development, 2017; Partners for Economic Solutions, 2018.				

C. Assessing the Assessment: How We Confirmed the Data

Before the City agreed to conduct their housing needs assessment, a group of volunteer University of Virginia undergraduates conducted their own assessment. The City's commissioned report largely confirmed the students' findings, but our independent analysis with UVA found **that more than 4,000 households qualify as cost burdened.**²⁵

Total Cost Burden on Renting and Owning Households in Charlottesville	
Percentage of Household AMI	Cost Burden Count
Less than 30%	2172
30-50%	1177
50-80%	1021
Total cost-burdened households:	4,370

Chart from CLIHC's independent analysis.

The students later reviewed the PES report, and while the PES report largely concurred with their analysis on the current housing need gap, they found some issues in the projection estimates for 2040. For example, the report indicates that forty-five percent (45%) of residents currently in need of housing in Charlottesville fall at or below thirty percent (30%) of the AMI, but projects that in 2040, the percent in need will drop down to twenty-nine percent (29%). Given that these numbers do not appear to account for residents leaving the City because of unaffordability, this significant drop requires further explanation.²⁶ Community leader Joy Johnson also pointed out that the study methodology did not account for families who are doubled up in homes due to housing pressures. Finally, the assessment did not take into account how many families have already been displaced due to rising costs in the City or the population that commutes into the City to work but would move closer if rents were affordable.

D. The Current Affordable Housing Landscape in Charlottesville

1. Charlottesville's Affordable Housing Ordinance

Virginia law restricts Charlottesville's ability to protect and increase affordable housing.²⁷ Charlottesville operates under the state mandated *quid pro quo* formula, wherein developers are permitted to receive special use permits to build at a higher density on their property in exchange for an affordable housing contribution of the developer's choice of the following:

- (a) Building a certain percentage of units on site,²⁸
- (b) Building a certain percentage off-site, or
- (c) Paying into the Charlottesville Affordable Housing Fund (CAHF).²⁹

This ordinance has proven ineffective in building affordable units where they are most needed. Almost all developers opt for the last choice, as it is often the least expensive of the three.³⁰ The amount developers pay into the CAHF, however, does not provide sufficient funds for housing initiatives. As such, the City recently contributed directly to the CAHF from the Capital Improvement Program. For preservation of non-subsidized affordable housing, however, there are virtually no legal protections.

2. "Affordable Housing" in the City of Charlottesville

Like most cities across the U.S., Charlottesville features a finite pool of affordable housing. Furthermore, not all "affordable housing" is equal. Depending on the type of housing, residents' rights may vary widely. In decreasing order of residents' rights to the property, these include low-income homeownership, public housing, Section 8 project-based vouchers, Section 8 housing-choice vouchers, Low-Income Housing Tax Credit properties, and affordable housing available at market rates. Different types of housing also come with different levels of affordability. Nevertheless, even in the face of increasing pressure to demolish public housing in the country, Charlottesville boasts a robust public housing program thanks to the advocacy of Public Housing Association of Residents (PHAR) and the current commitment of the Charlottesville Redevelopment Housing Authority (CRHA).

Public housing & Section 8 project-based and housing-choice voucher programs have historically provided a partial solution to the plight of extremely-low-income and very-low-income families in need of stable homes. In these subsidies, tenants' rent is tied to their income, with them paying typically no more than thirty percent (30%) of their income towards their rent. These programs are subsidized by the Department of Housing and Urban Development, and the number of units available depends on HUD funding and allotments. Currently, only 376 units of public housing exist in the City of Charlottesville. Most of these homes require rehabilitation or redevelopment, and thus the City's housing needs assessment included these units in its count for unmet housing needs. Charlottesville's public housing is managed by the CRHA.

Friendship Court, run and owned by the Piedmont Housing Alliance, is one of the City's handful of project-based **Section 8 housing** complexes. This entire site will undergo redevelopment, while preserving the current number (150) of affordable apartments for very low-income people and adding 150 apartments for low to moderate-income households.

In addition to public housing, CRHA administers 290 **housing choice vouchers**; although CRHA can administer up to 533 vouchers, because of Charlottesville's high cost of living, it cannot release all of them. These subsidies do not attach to a specific location but can be taken to any landlord who is willing to accept them. Private landlords in Virginia, however, do not currently have to accept vouchers, and many discriminate against tenants with vouchers. Additionally, HUD caps the amount of rent a landlord can charge to a voucher holder. Rents are so high in the City that many voucher holders can only find housing meeting HUD rent limits outside Charlottesville, creating transportation barriers that can impact employment stability.³¹

Public housing and project-based Section 8 also provide for procedural and organizing rights, giving additional protections to tenants. Although housing choice voucher holders have fewer rights as to their landlords than those tenants in public and project-based Section 8 housing, they do have rights as to their vouchers.

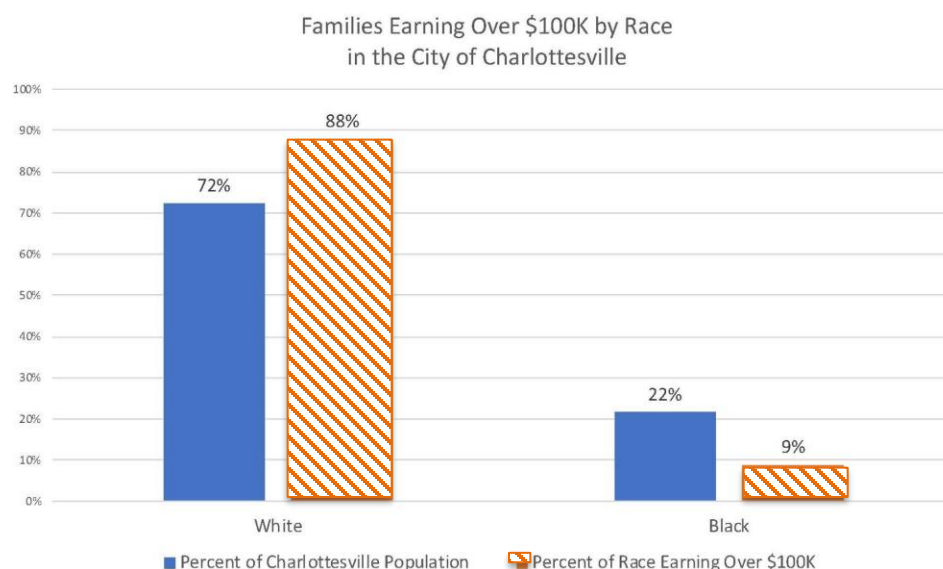
Most of the vouchers used within City limits are attached to **Low-Income Housing Tax Credit (LIHTC) units**. LIHTC units comprise one of the last sources of new affordable housing in the country.³² In order to receive the tax credits, property owners must abide by a prohibition on source-of-income discrimination (discrimination against tenants whose rent money comes partially from a voucher). LIHTC complexes are developments funded by tax credits that come with requirements to rent to households between twenty percent (20%) and eighty percent (80%) of AMI range, with exact percentages determined by the particular tax credit. In exchange for the tax credits, units must remain affordable for only fifteen (15) to thirty (30) years.³³ After that time, owners are no longer required to abide by affordability limits or any other LIHTC program requirement. Unless the tenant has a housing choice voucher, rents in these properties are not set by resident's income, but rather by a percentage of the average area market rent. A total of 720 units funded by LIHTC exist in the city.³⁴ A myriad of organizations, some non-profit and some for-profit, own these units.

Nationally, more than 40,000 such units could lose their affordable rent cap by 2030, with additional units following suit as LIHTC-targeted neighborhoods around the country stabilize and become more desirable.³⁵ Further, even were there to be plenty of LIHTC units available, these units do not provide the same protections found in HUD subsidized units. LIHTC regulations do not require property owners to protect tenant organizing rights, and they provide very few procedural eviction protections beyond what is provided by Virginia state law. Developments using tax credits, therefore, cannot be treated as a panacea to Charlottesville's housing needs.

In addition to those affordable units described above, Charlottesville funds a few housing-related programs to provide tax relief and other assistance to low-income individuals. For instance, Charlottesville provides a rental relief program for individuals sixty-five (65) years of age or older or those who are permanently and totally disabled, have a yearly income of \$50,000 or less, and a net worth of \$125,000 or less.³⁶ Tax relief is also provided through several local governments. The City and Albemarle County also provide repair assistance for low-income homeowners through the Albemarle Housing Improvement Program.³⁷

3. Neighborhood Displacement and Racial Disparities

In this report, it may seem we sometimes conflate race and income disparities. While it is true that these should not be confused, the evidence in Charlottesville is particularly damning.



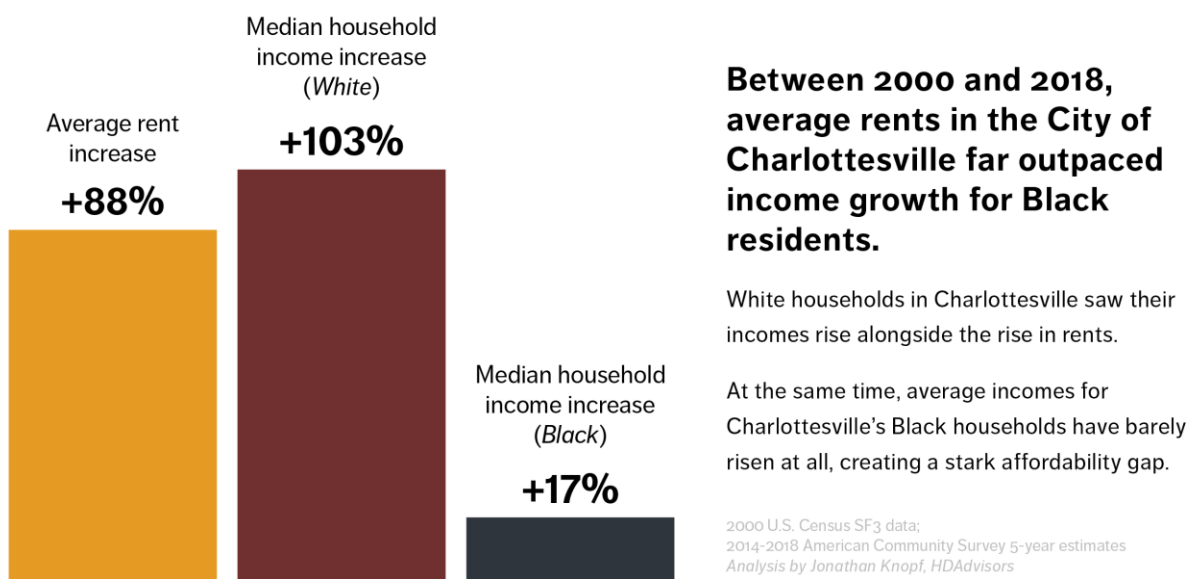
Schuyler, Ridge. [Dean, Community Self-Sufficiency Programs](#). Analysis of U.S. Census Data 2018

In Charlottesville, the fight to preserve affordable housing intertwines deeply with the pursuit of racial justice. After August 12, 2017, in which our commitment to racial justice and the safety of our Black residents came under a national spotlight, it became even clearer that we must go further than debates about monuments and historical apologies. To date, the City has not invested in gathering or interpreting data related to the racial wage gap or the racial wealth gap amongst Charlottesville residents and the relationship thereof to displacement and housing insecurity. In addition, the City's quantitative analysis did not measure displacement of low-income and racial minority groups within Charlottesville.

The data we do have exposed that the rate of Black homeownership dropped by twenty-four percent (24%) between 2000 and 2018.³⁸ We are unaware of any studies tracking the cause of this drop, but we note that Charlottesville, like the rest of the nation, succumbed to the rampant predatory lending and home equity theft that caused the Great Recession.³⁹

The effects of racially disproportionate cost burdens stand out when examining housing patterns amongst residents of color in the City. The City PES report found that "low-income African American and Hispanic households bear a disproportionate share of the burden of the lack of affordable housing."⁴⁰ Historically majority Black neighborhoods hold far greater numbers of cost-burdened households than those with majority white populations (as measured by census tracts).⁴¹ Further, in the last seven (7) years, Charlottesville has seen a decrease in the share of

Black people residing in the City.⁴² The following charts show the disparate impact of Charlottesville's growing housing costs in comparison to income.

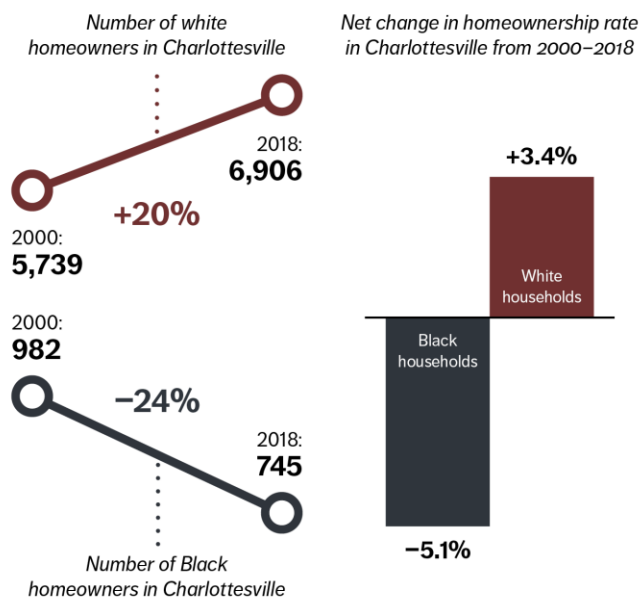


Race and homeownership in Charlottesville have changed dramatically since 2000.

Almost 1 in 4 of Charlottesville's Black homeowners moved or lost their home between 2000 and now. Over the same period, the number of white homeowners increased by more than 1,000.

Today, the homeownership rate for white households in Charlottesville is above 50%, but only 24% for Black households. That gap has been steadily increasing since 2000.

2000 U.S. Census SF3 data;
2014-2018 American Community Survey 5-year estimates
Analysis by Jonathan Knopf, HDAvisors



We must critically examine the realities of our City today, and the imminent loss of our Black community in the face of a housing affordability crisis that affects our low-income residents of color most of all. We urge Charlottesville to follow the example of Portland, Oregon, which conducted a thorough study on displacement in the City, as well as possible solutions.⁴³ We must take actionable steps towards preserving a diverse Charlottesville that welcomes all.

Section 2. Affordable Housing Displacement Survey

Numbers only tell part of the story. Many Black and lower-income families experience poignant feelings of upheaval and displacement as their friends and family are pushed out of their homes. The following section uncovers critical concerns that quantitative data cannot capture.

Key Takeaways:

1. **The Legal Aid Justice Center (LAJC) conducted a survey and found vast disparities along racial lines regarding income, rates of displacement, perceptions of gentrification and housing affordability. Black residents are extremely concerned and feel much more negatively affected than white residents.**
2. **City elected officials must take immediate action to slow displacement significantly, and to increase affordable housing options for low-income people.**

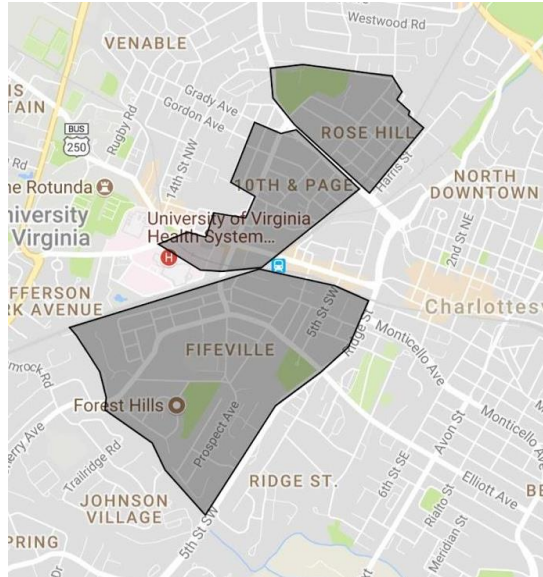
Too often the conversation around affordable housing breaks down to statistics – numbers of units, numbers of families, or cost to the City. It is easy to lose track of the human side: **housing is a fundamental physical need and a basic human right.**

Where a person lives and how stable that living situation is impact every other part of a person's life, from family and community, to employment opportunities, to access to food and medical care, to health and educational outcomes, and so much more.

It is impossible to consider current issues in housing apart from the historical context of urban renewal and displacement of Black families that has plagued Charlottesville for more than 100 years. This section spotlights the very real impact of inadequate housing and displacement on Charlottesville residents. The results of our survey highlight current, real-life experiences of 129 residents of historically Black neighborhoods.⁴⁴ We specifically targeted historically Black neighborhoods and areas where the lowest wealth members of our community reside. We focused on these neighborhoods in order to learn from people at risk of displacement and those living in rapidly changing neighborhoods. We completed surveys in the respondents' homes with their agreement.

We note that many Black and low-wealth residents of Charlottesville have already been driven out to the surrounding counties. We must therefore acknowledge that the voices of those individuals *who have already been displaced* are missing from this narrative.

The image below depicts the neighborhoods in which surveys were conducted. Our results represent the lived experiences and perceptions of residents of our City.



The highlighted areas show the City of Charlottesville neighborhoods in which we administered surveys. These neighborhoods include Belmont, Fifeville, Prospect Avenue, Ridge Street, Rose Hill, and 10th & Page.

A. Information About Who We Surveyed

Fifty percent (50%) of survey respondents were Black, thirty-eight-point-five percent (38.5%) were white, and eleven-point-five percent (11.5%) identified as other races or mixed race. Nearly one-third of residents were disabled or living with a family member who was disabled. This number was nearly twice as high for Black residents (thirty-nine percent (39%)) as for white residents (twenty percent (20%)).

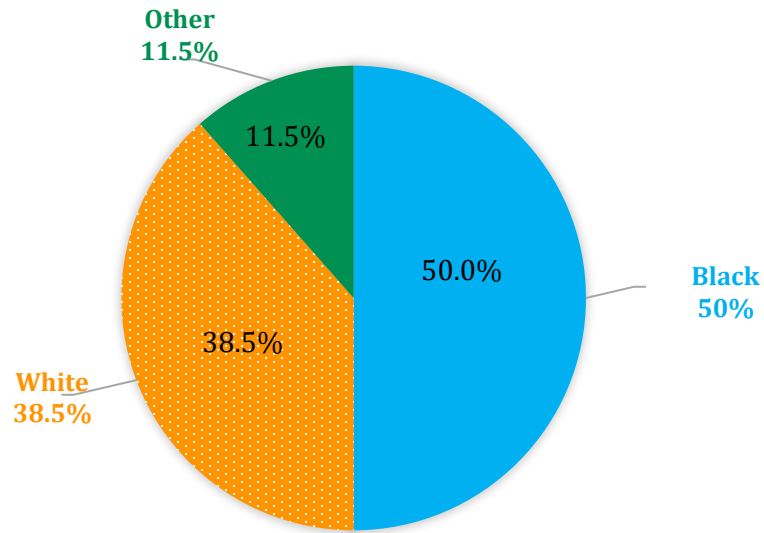
Respondents by Race:

Black	White	Mixed/Other
50%	38.5%	11.5%

Percent of Respondents Who Are Disabled or Are Living with a Family Member Who Is Disabled, by Race:

Overall	Black	White
31.5%	39%	20%

DEMOGRAPHICS OF SURVEY RESPONDENTS



Incomes of Respondents

Eighty-seven percent (87%) of the survey respondents reported incomes below Charlottesville's median income, and respondents' average household income was \$38,404.

This survey found that Black respondents' incomes, on average, were thirty percent (30%) lower than their white neighbors, highlighting again the racial inequity inherent in cost of housing in Charlottesville.

The federal government uses Area Median Income (AMI) to determine eligibility for assisted housing. We will reference AMI throughout this report. We designate household incomes as follows: below thirty percent (30%) AMI is extremely low income; thirty-one to fifty percent (31-50%) AMI is very low income; and fifty-one to eighty percent (51-80%) is low income.⁴⁵

The table below illustrates how those AMI percentages translate to income. For some context, note that a person working full time at minimum wage makes \$14,400 annually.

Table 2. Household Income Level Definitions, Charlottesville Metro Area, 2017					
Income Level	Percent of AMI	Household Size			
		1 Person	2 Persons	3 Persons	4 Persons
Extremely Low Income	30 percent	\$16,100	\$18,400	\$20,700	\$23,000
Very Low Income	50 percent	\$26,800	\$30,600	\$34,500	\$38,300
Low Income	60 percent	\$32,200	\$36,800	\$41,400	\$46,000
Moderate Income	80 percent	\$42,900	\$49,000	\$55,200	\$61,300
Median Income	100 percent	\$53,600	\$61,300	\$68,900	\$76,600

Note: AMI is Area Median Family Income.
Source: 2010 U.S. Census; Partners for Economic Solutions, 2017.

Table of Charlottesville's AMI Percentages to Actual Income.

The racial breakdown for this survey supports other analyses by the Legal Aid Justice Center (LAJC) and Partnership for Economic Solutions (PES): **people of color living in Charlottesville are suffering the most from the affordable housing shortage.** Black residents of Charlottesville have lower incomes compared to their white neighbors, reflecting national data that finds that Black people's incomes are sixty percent (60%) of the average of all incomes.⁴⁶ In Charlottesville, given the high housing costs, this translates to a higher likelihood that Black people will live in unaffordable housing and be unable to access homeownership. This situation inhibits a family's ability to pass on wealth across generations and makes them less able to avoid displacement due to rising costs.

Nearly all white residents (ninety percent (90%)) felt their housing costs were affordable, whereas fewer than two-thirds of Black residents agreed. It is hardly surprising that respondents in households earning the least – thirty percent (30%) AMI or less – reliably reported that their housing costs were unaffordable. This disparity draws attention to the very real issue that lower income residents are significantly more *burdened* by their housing costs than those of higher wealth, meaning a greater percentage of their income goes to the cost of housing than their higher income neighbors.

B. Neighborhood Change and Displacement

The survey also uncovered dramatic differences in the length of time people had lived in their neighborhood as a function of race. **Black respondents reported living in their neighborhood an average of more than thirty (30) years, while white respondents have on average been residents of the same neighborhoods for only about seven (7) years. At the same time, however, Black respondents were five (5) times more likely than their white counterparts to know someone who had recently moved out of the neighborhood.** These numbers show a clear trend of displacement of Black residents and corresponding influx among white residents.

"We've gone from homeowners to renters. Now we have more transient people, there's not the same sense of community. It's not like it used to be. There aren't as many children around here."

- Survey respondent

Not only were there differences in neighborhood stability by race, but also by income. **A significant majority of very low-income survey respondents have lived in their neighborhoods for more than twenty-one (21) years. This creates a stark comparison to the average of six (6) years that upper-income people have lived in these same neighborhoods.**

"It [gentrification/displacement] takes people down."

- Survey Respondent

Reactions to change and displacement also varied by race. Although, most respondents reported that their neighborhoods have indeed undergone change, Black respondents overwhelmingly reported knowing someone who had moved away from the neighborhood in the last ten (10) years (sixty-five percent (65%), versus forty-eight (48%) of white residents). **The most common reason cited for leaving was that it was too expensive to stay.** Nearly everyone surveyed indicated a desire to remain in their current neighborhood (eighty-seven percent (87%)), with Black residents overwhelmingly indicating their desire to live in their neighborhood five (5) years from now (eighty percent (80%), versus sixty-five percent (65%) of white residents).

Overall, one in five respondents said their housing costs were unaffordable; however, **Black residents were more than three times as likely to report housing costs as unaffordable (forty-four percent (44%)) compared to white residents (thirteen percent (13%)). The lowest income individuals were five times as likely to categorize their rents as unaffordable (forty-three percent (43%)) versus those in our survey group with the highest income (eight percent (8%)).**

"It looks more diverse, but in fact families of color are getting pushed out. [It's a] cloak and dagger process of actually becoming less diverse."

- Survey Respondent

C. Views on Displacement and "Gentrification"

In addition to describing individual experiences, we also wanted to determine the extent to which Charlottesville residents perceive systemic forces at play in their changing neighborhoods. To that end, the survey included a series of questions pertaining directly to gentrification.⁴⁷

"Nearly all families who are Black and long-term residents have relatives who are 'accomplished' and left the neighborhood to prove success."

- Survey Respondent

Nearly every survey respondent said that gentrification is happening in Charlottesville. Close to two out of every three respondents said that increases in the cost of housing have forced lower income individuals to move to more affordable areas outside of the City. Over half of the people responding to this question said that gentrification needs to be stopped, with those of lower income more likely to say so than those of higher income.

More than three out of four survey respondents think that gentrification is pushing people of color out of Charlottesville. Overall, forty percent (40%) of residents indicated that change within their neighborhoods affected them. More than half (fifty-two percent (52%)) of white residents

"[My neighborhood] was predominantly Black. People were more closely knit and generous with each other. Kids played in neighborhood. Now everyone keeps to themselves. People moving in from Connecticut and New York and locals moving [out]."

- Survey Respondent

specified change as moving in a positive direction. On the other hand, **more than two-thirds of Black residents perceived changes to be negatively impacting their neighborhoods.**

According to respondents signposts of gentrification include fewer Black businesses, more university infiltration into surrounding neighborhoods, higher rents, excessive development and renovation, and the displacement of Black residents by white residents, so that it seems as if "every house that changes hands is bought by a white person." **In general, respondents identified three specific indicators of gentrification: development, decline in community, and displacement.**

Concerns about decline in community were especially pronounced among Black respondents. Black respondents attributed community decline to a decline in safety, displacement of friends and family, and a decrease in neighborhood businesses. As more white residents move into historically Black neighborhoods, displacement becomes a mounting worry for the long-term residents of the neighborhoods.

Respondent's comment as paraphrased by a surveyor.

I grew up in Charlottesville and I notice changes in racial makeup. Our neighborhood is becoming an extension of UVA.

D. Public Opinion of Elected Officials

We completed the survey more than a year prior to the publication of this report. The City Council has since committed to major funding for the redevelopment of public housing and the expansion/redevelopment of Friendship Court.

At the time we conducted the survey, respondents expressed widespread disapproval when asked whether City Council is doing enough to support public and affordable housing. We found a significant racial disparity in approval levels with nearly three out of four Black residents expressing disapproval, compared with fewer than half of white residents. We also found that an increase in household income translated to an increase in approval for Council's efforts. The lowest income households were the most likely to say that Council should do more, and the highest income households were the least likely.

"Tell City Council to get affordable housing for all. People are getting sick of having to move every year."

- Survey
respondent

Respondents offered numerous suggestions for how the City might improve low-income families' ability to continue living in Charlottesville, such as improved subsidies, more affordable housing options, better wages, policy changes around rent control, tax and rent relief, and home renovation and development programs.

E. Survey Conclusions

Given the historical context of extremely harmful displacement and disenfranchisement of Black residents in Charlottesville, the findings of our survey are not at all surprising. **The message from community members rings loud and clear: Residents of Charlottesville – Black or white, high or low wealth – believe City officials need to make significant investments to stop driving people of color and low-wealth individuals out of the City.** Black residents rightfully experience greater apprehension of change and displacement and believe City leadership must do more to address affordable housing. Residents of Charlottesville desire security, housing stability, affordability, sustained community and opportunity. In a nutshell, Charlottesville wants housing justice. Economic and racial justice will grow from an aggressive strategy to address the local housing crisis focused on equity.

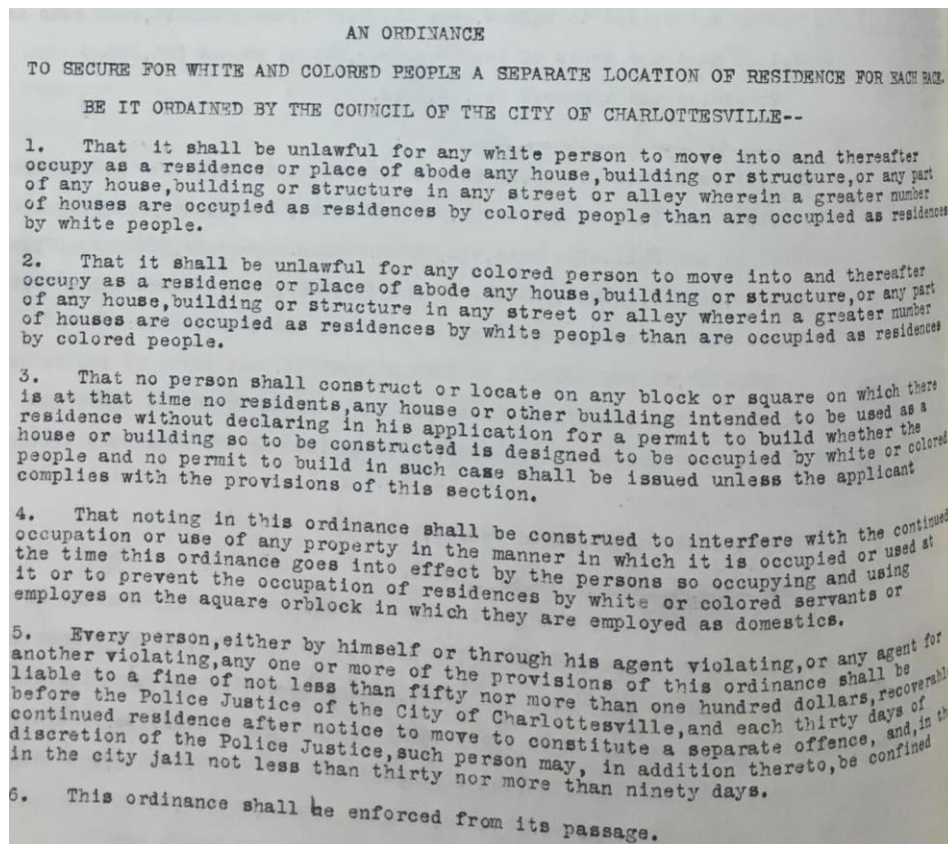
As advocates for very low-income individuals in our community, the Charlottesville Low-Income Housing Coalition (CLIHC) strongly urges City officials to internalize this high level of concern as motivation to create change and fulfill the vision the community has for itself: a vision of housing stability, equity across economic and racial lines, and slowing development that caters exclusively to higher income individuals.

Section 3. Race and Land Use: History and the Impact of Current Zoning in Charlottesville

A. Racial Segregation Written into Charlottesville Code

Charlottesville's history of intentional housing segregation and displacement stretches back beyond the time of Jim Crow. Our current housing and educational segregation are continuations of longstanding trends and require urgent and high-impact remedies. This section demonstrates that housing policies—particularly zoning and lending practices—were, and continue to be, two key mechanisms of institutional racism in Charlottesville.

Charlottesville effectuated segregation through several means: official City policy, economic policy, and the actions of private developers. In 1912, the Charlottesville City Council voted to segregate the City on the basis of race. Like many cities across the country, the ordinance prohibited the sale of a property owned by a person of one race to a person of another. Charlottesville City law also prohibited selling to a person of another race if the house sat on a block inhabited a majority of a different race.



"An Ordinance: To Secure For White And Colored People a Separate Location of Residence for Each Race." (Charlottesville City Council Minutes)⁴⁸

Despite the new law having a major impact on Charlottesville's citizens, the Daily Progress neither covered the vote to racially segregate the City nor published an editorial about it. This silence may have been an attempt to hide potentially illegal activity, keep unsavory news under wraps, or both. Although five years later, the United States Supreme Court struck down explicit

racial segregation laws with the ruling in *Buchanan v. Warley*,⁴⁹ segregation, as we know, was by no means over. Charlottesville's ordinance, and the demographic map that it created simply provided the blueprint for future segregation in Charlottesville.

B. Segregation Through Racial Covenants

In the wake of the Supreme Court's ruling declaring explicit racial zoning practices unconstitutional, cities across America increased their reliance on racial covenants in individual property deeds, and Charlottesville was no exception. Much of Charlottesville's present stock of single-family housing was built between 1900-1968, and during that period, white developers, banks, residents, and realtors wrote clauses into approximately seventy-five percent (75%) of housing deeds that declared: "This lot shall not be sold to any person not of the Caucasian race."⁵⁰ Landowners introduced these private racial covenants in developments throughout Charlottesville, restricting Black homeownership and rentals to older, central, and often industrial areas of the City, including an area north of Preston Avenue called Lincoln Heights and the 10th & Page neighborhood between Preston and West Main. The homes that contained racial covenants often included large lots, compared to the smaller lots where non-white residences were located, thus further reducing the ability of non-white families to generate wealth through homeownership.⁵¹

Further, as these racially restricted white neighborhoods developed, they successfully petitioned the City government for water and sewer lines, paved streets, electric and telephone lines, and other infrastructure and utilities that allowed property values to appreciate. At the same time, the City denied petitions by Black neighborhoods for these same resources, thus providing another key mechanism tying home equity to race.⁵²



The shaded areas of this map show the private holdings of one company in and around Charlottesville in 1890. Most of the shaded area became white-only property.
(Map courtesy of University of Virginia Special Collections)

The Federal Government later endorsed racial covenants, making them a requirement for Federal Housing Administration (FHA) backed mortgages.⁵³ These further increased segregation as FHA mortgages were common in predominantly white neighborhoods, such as Greenbrier and other racially homogeneous “hot spots”.⁵⁴

BRICK and MORTAR are SUBSTANTIAL
SO, TOO, is the DEVELOPMENT of

“Greenbrier”

107 LOTS SOLD
46 HOMES BUILT

Proud owners include doctors, lawyers, engineers & other professional people, all permanent residents of Charlottesville.

DESIRABLE HOMES
from \$15,500 to \$28,000
— AND —
BEAUTIFUL HOME SITES
from \$3,000

“GREENBRIER”

... And ONLY “GREENBRIER”

offers this complete list of IMPORTANT FEATURES

- Adjoining & continuing our strictly residential & well-established northwest area.
- Safely removed from industrial areas & traffic.
- Wider paved streets & spacious, elevated lots.
- Reliable city water — gas — sewer.
- Planned & developed to meet the approval of — City & County Planning Commissions — State Highway Department — Federal Housing Authority.
- FHA Insured Loans — only \$800 down.

Weigh the Facts . . . Consider the Future

DIRECTIONS
Turn North off Rt. 250 By-Pass at “Rutledge”, keep straight on Brandywine Drive to “GREENBRIER”

Advertisement from the Daily Progress archive, 1959, touting the amenities of the whites-only Greenbrier neighborhood. Note the reference to FHA: at that time period, FHA only backed loans in whites-only neighborhoods.⁵³

Between 1920-1950, thousands of houses were built throughout the City, creating many neighborhoods that continue to host higher-value homes, including, among others, Fry’s Spring, Rugby Hills, Rugby Place, Rugby Woods, and Locust Grove. These neighborhoods continue to be predominantly white, and today make up the vast majority of Charlottesville’s single-family housing stock.

These neighborhoods all shared one common attribute; similar to the racial covenants specific to individual homes, when a home in these neighborhoods sold, the housing deed included a clause that contained a variation of the following covenant: “No property in this subdivision to be sold to any person not of the Caucasian race.”⁵⁵

Charlottesville's segregation ordinance, combined with racial covenants, created a scheme that pushed Black communities into areas zoned for industrial and business development such as Vinegar Hill, 10th & Page, and Ridge Street, a practice known as "expulsive zoning."⁵⁶ Segregated communities for majority Black people included Lincoln Heights (1926) in today's Rose Hill neighborhood, and Westview Terrace (1956) in today's Ridge neighborhood.

In addition to the concentration of Black people into neighborhoods that were sometimes inhospitable to domestic life, during this time Charlottesville's Black residents were denied private home loans due to "uncertainty of payment and other factors."⁵⁷ Though Black people could save independently and borrow money to purchase a home, they needed to do so at higher interest rates and from less reliable sources than those available to white people.

This economic discrimination was a major force preventing Black homeownership and the accumulation of intergenerational wealth, a factor increasingly recognized as a cause keeping certain groups in poverty.⁵⁸

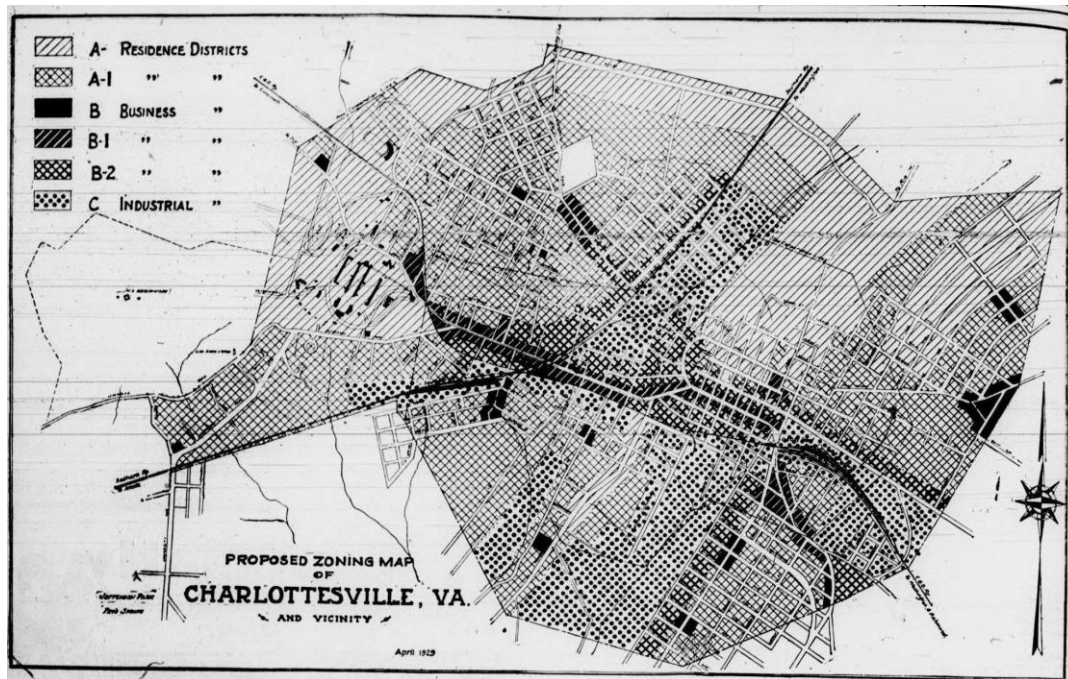
When the Supreme Court finally labeled the enforcement of racial covenants as unconstitutional in 1948, City officials increased economically restrictive zoning as a proxy for explicit racial restrictions.⁵⁹ This tactic should not be surprising given that Ku Klux Klan chapters organized in Charlottesville and the University of Virginia in 1922, and appeared regularly in the pages of the Daily Progress, where it was noted that the Klan included "many of our able and influential residents, and it is here to stay... a power for good in this community."⁶⁰

As Charlottesville became increasingly hostile to people of color, explicit white supremacy—not only in terms of Klan membership, but also in material practices such as housing policy—escalated.

C. Segregation by Another Name: Single Family Zoning

Charlottesville made its first attempt to segregate through economic measures in 1929 when it hired Allen Saville of Richmond, Virginia. A Daily Progress cover story described Saville as an "authority on zoning," who introduced the idea of zoning as a way to achieve neighborhoods "as near perfect as can be drawn."⁶¹

Perfection, in this instance, was a euphemism for segregation, a legacy that continues to this day and that is most evident in the City's current land-use map, which largely mirrors historical segregation trends and is part of the Comprehensive Plan.



First Charlottesville zoning map from Daily Progress Archive.⁶²

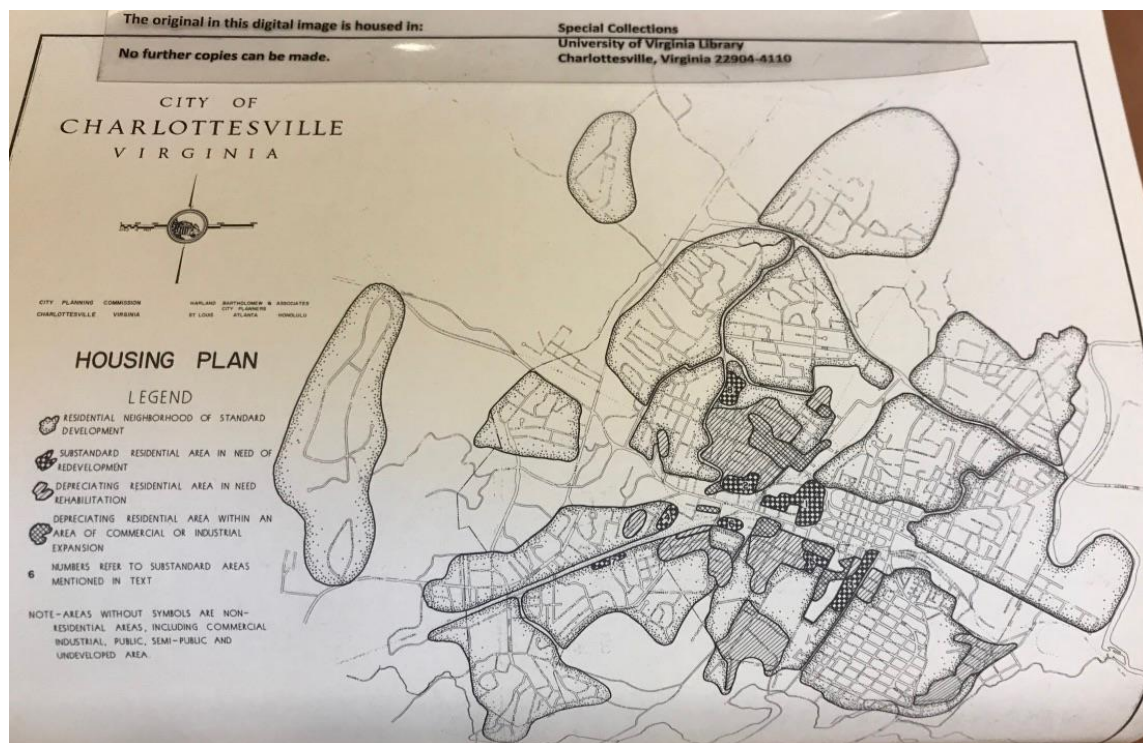
Charlottesville hired Saville after he demonstrated the effective use of zoning as a way to keep Black residents out of white communities. As one of the authors of Richmond's zoning ordinance, he worked to prevent the construction of higher-density housing that would be accessible and affordable to working class Black people.⁶³ Saville's Richmond plan designated city blocks based on race, with the intention of preventing movement into white areas while aggregating Black neighborhoods.⁶⁴

In Charlottesville, he emphasized the importance of single-family zoning but elided the underlying segregationist purpose, stating euphemistically that "the advantage of zoning were [sic] obvious and that all growing cities must have it."⁶⁵ Saville's plan divided the city into two categories: one consisting primarily of large, single-family lots, exclusively eligible for FHA insured loans. He labeled the second the more "dangerous" housing area with small lots, multi-family homes, and any areas with nonwhite or mixed residents.⁶⁶

Planners like Saville advocated for single family zoning as a method to covertly continue segregation across the nation.⁶⁷ Restricting home construction to one dwelling per lot created an economic barrier to low-income and non-white homeownership in a community, allowing segregation by wealth and race. The Supreme Court affirmed this form of governmental economic discrimination through its ruling in the case *Euclid v. Ambler* (1926).⁶⁸ Furthermore, just as the federal government actively promoted racial covenants, it actively promoted single family zoning by limiting distribution of Federal Housing Administration mortgages in Charlottesville and throughout the nation to families living in Greenbrier and other neighborhoods that, as today, were majority or exclusively white.

Bartholomew's methodology for exclusionary zoning included surveying city blocks for racial makeup and "protecting" white-only neighborhoods from further development with single family zoning.⁷⁵ In St. Louis, MO, he used his surveying techniques to attempt to predict where African Americans may "encroach" in neighborhoods and instituted restrictions in these zones to prevent integration.⁷⁶ There, Bartholomew made his intentions for his methodology clear in planning commission meetings, where he recommended "first-residential designations to prevent the 'inva[sion] of negroes.'"⁷⁷ From St. Louis, Bartholomew went on to head a committee for Herbert Hoover on homeownership, spearheading a campaign to establish racial covenants in subdivision properties nationwide. With this track record, it is no surprise that the plan Bartholomew brought to Charlottesville fossilized segregation in this city for decades to come.

Bartholomew's 1959 zoning plan in Charlottesville followed closely with his methodology from St. Louis. First, the plan sought to "recognize, protect, and encourage the predominant single-family use which now accounts for more than 43% of the total developed land in Charlottesville."⁷⁸ Second, Bartholomew laid the groundwork for demolition and theft of Black neighborhoods. When Bartholomew arrived, he praised Saville's work already in laying the groundwork for "a larger lot size and a predominance of exclusively single-family areas."⁷⁹ The Charlottesville City Council adopted Bartholomew's exclusive zone (R-1) that solely permitted large, single-family housing, churches, schools, and other public amenities.⁸⁰ Such restrictions prevented lower income residents from moving into these neighborhoods, despite the symbolic gains of at the Supreme Court in exclusionary zoning. These restrictions also concentrated development and industry in historically Black neighborhoods, forcing Black communities to bear the brunt of density and environmental consequences. Bartholomew's land-use map has not changed significantly since. In fact, the city is now majority single-family zoned at fifty-five percent (55%).⁸¹



Proposal by Harlan Bartholomew to the City of Charlottesville.⁸²

Excluding Black households from white neighborhoods was not enough. Bartholomew had his sight set on disrupting those Black communities that did exist. Just as Saville had earlier urged,

the Plan included an instruction to petition the federal government to provide funds for “slum clearance,” in addition to placing highways throughout the City, a tactic used elsewhere to cause displacement, and implementing a City-wide transportation plan. As a result, the City cut new roads through Black neighborhoods, and then deemed these same neighborhoods unfit for living and targeted for demolition. Bartholomew engaged in a propaganda campaign, documenting what he claimed was urban blight. These photographs, however, were highly engineered: many of the pictures used as evidence of the need for demolition were taken behind homes in an effort to make them appear in worse condition.⁸³

The Housing Plan determined which areas featured “standard development” (marked white on the above map). The property value in these areas would be preserved, while other areas were deemed unsuitable and in need of government intervention (marked in darker shades on the map). The darkened, hashed areas represented majority Black neighborhoods targeted for redevelopment, including Vinegar Hill, Gospel Hill, Starr Hill, Cox’s Row and just over six (6) blocks between Fifth and Sixth SE Streets, which according to the Plan “account[ed] for a high proportion of the cities [sic] disease, fire calls, delinquency and crime cases.”⁸⁴

This focus on “slum clearance,” which would later be called “urban renewal,” paved the path for what would become mass takings of Black homes in the City.

D. Urban Renewal and the Theft of Black Homes

In 1964, the City razed Vinegar Hill, a predominantly Black neighborhood. This neighborhood perched on the western edge of Charlottesville’s downtown. The City “replaced” the neighborhood by building segregated public housing on the new Westhaven site. Many of the roughly 500 people displaced from Vinegar Hill, many of whom had owned their homes, relocated to this new public housing. Others left the community when they were forced to seek employment outside the City, since many white-owned businesses would not hire Black people. The City destroyed numerous Black-owned businesses during the razing of Vinegar Hill. The cleared land sat empty for almost twenty (20) years.⁸⁵



Charlottesville Daily Progress advertisement of Vinegar Hill business sale prior to demolition.⁸⁶

Just four days after the Civil Rights Act of 1964 formally ordered the desegregation of public places, the Charlottesville City Council unanimously voted to downzone prosperous segregated white areas to allow only single-family homes in the north end of the City. This represents the first instance of official single-family zoning in the City.⁸⁷ Though Bartholomew recommended single-family zoning in 1954, it took federal prohibitions against codified segregation for the City to heed his advice, thereby finding new legal mechanisms of racial segregation and displacement.

At the same time, the City banned “two family dwellings” in newer segregated white neighborhoods on the north end of the City, centered around McIntire Park (during segregation, designated as the “White” park).⁸⁸ Chairman Thompson of the Planning Commission explained in a Daily Progress article that this downzoning would “work a hardship on many people” but had to be done to preserve “amenities of a neighborhood and protect investments” and avoid crowding and “blight,” a term “infused with racial and ethnic prejudice.”⁸⁹ Throughout the City, prosperous white neighborhoods were zoned for single-family homes (R1 zoning), while working-class white and Black neighborhoods remained zoned for multi-family units.

In 1968, the newly amended Civil Rights Act made racial covenants in deeds and other explicit housing discrimination on the basis of race legally unenforceable. Despite these law reform measures, segregation and displacement continued unabated. In Charlottesville in 1969, the City Yard, a City-owned facility combining vehicle storage, maintenance, and office space, expanded into Page Street, a historically Black neighborhood, with no replacement housing. Displaced Black residents petitioned City Council for assistance finding affordable housing. Council records do not reflect any action upon this request.

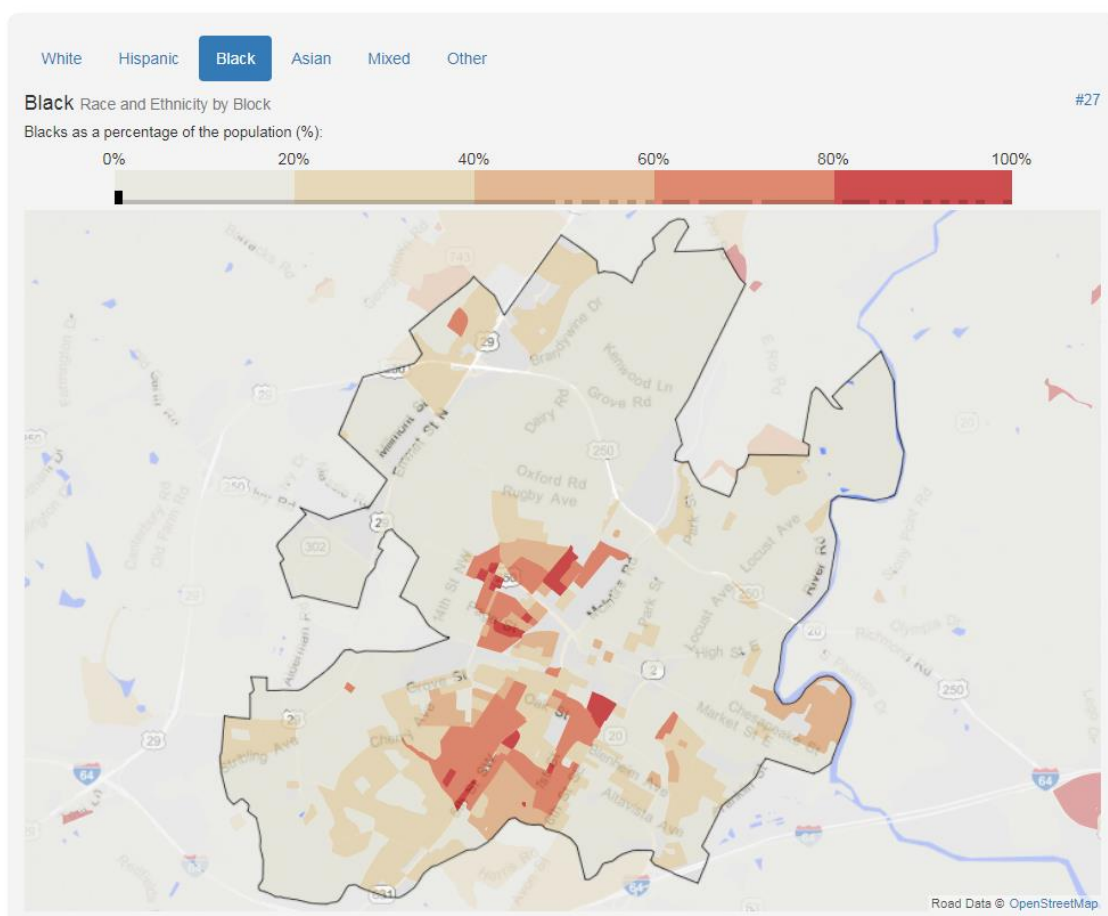
Between 1980 and 1989, after the Fair Housing Act forced public housing to desegregate, white applicants CRHA gave preferential access to public housing, circumventing the desegregation edicts of the 1964 Civil Rights Act. The City, however, argued that its public housing placement policies merely represented an attempt to reflect the majority-white demographics of the City. This practice ended with the *United States v. Charlottesville Redevelopment and Housing Authority* Federal Fourth Circuit Court of Appeals case in 1989, holding that public housing cannot discriminate on the basis of race.⁹⁰

In 1990, the downzoning effort broadened single family zoning across the City for the first time, prioritizing wealthy formerly segregated areas, but also including parts of majority-Black neighborhoods. Crucially, the City zoned undeveloped areas for single-family homes purportedly due to the traffic concerns of existing residents. This meant that current residents acquired the power to perpetuate the exclusive nature of their neighborhoods. Planning Commissioner William Harris cast the sole vote against the measure, citing concerns about housing affordability and racial exclusion.

E. “Neighborhood Preservation” and the Long Reach of the Urban Renewal Legacy

Since 1990 the zoning designations, *de facto* racial segregation, and resulting economic stratification persist. No significant citywide legal zoning changes have occurred for three decades.⁹¹ Those areas originally reserved for whites-only have largely remained as such, and neighborhood associations fight changes to the contrary and thereby help maintain this status quo. To this day, the single-family zoning neighborhoods continue to be predominantly white, while the areas most flexible with regard to development rights (some still industrial) include the remaining neighborhoods with larger Black populations.⁹²

Map of Race and Ethnicity by Block in Charlottesville



Source: The Demographic Statistical Atlas, Race and Ethnicity in Charlottesville, Virginia, <https://statisticalatlas.com/place/Virginia/Charlottesville/Race-and-Ethnicity>. Accessed 17 Jan. 2020.

Ironically, the neighborhoods where Black families have been concentrated via City policy and other mechanisms of segregation for decades have now become attractive to higher income families, speculators, and developers, pushing out many long-time Black residents.

Rather than strategically planning cohesive development across the city, Charlottesville has prioritized small area plans with inadequate consideration of racial equity or economic reparations. In fact, Councilors have consistently acquiesced to calls for preservation of historically white exclusionary neighborhoods, and thus maintained the legacy of racist zoning

patterns. These mechanisms have served to protect the status quo in some parts of the City over others and to perpetuate a map of racial and economic divisions that has changed little since before segregation was outlawed. Additionally, environmental racism has cornered Black communities into industrial-zoned areas of the City, which are now the areas with the greatest potential for large-scale, by-right development.⁹³ As these neighborhoods, walkable to the city center, become more attractive to higher-income individuals, developers are incentivized to build luxury housing. In contrast, there are no locations in Charlottesville where the free market economic incentive alone suffices to encourage the development of affordable housing. In Charlottesville, as nationally, public land-use policies have become the trigger for acceleration of *de facto* racial and economic segregation.⁹⁴

The longstanding agreement between Charlottesville and the surrounding county of Albemarle preventing annexation by the City of County land, later frozen in place by a change in State law, has landlocked the City. There is insufficient buildable land to continue the market-driven, minimal-intervention approach. A comprehensive strategy based on aggressive, equity-based solutions is required to slow displacement in historically Black neighborhoods, preserve diversity, and treat lower-income residents fairly.

F. Where Will History Lead Us?

We will choose where our history takes us. As we plan for development in the 21st century, we should consider Charlottesville's presence on many "best of" lists and its purported status as an innovation and intellectual hub. Charlottesville has become a cultural magnet, with many people moving to the City each year.⁹⁵ How can the City attract more Black residents, and how can we value and protect our diversity that is currently in jeopardy?

"I don't see any of them moving. I see them being 'pushed out.' Slowly these low-income families are being pushed out."

- *Survey respondent*

Planning with equity as a primary goal should serve as our mandate and reckoning in the years and decades to come. The following chapter delves into opportunities for policy changes and investment which could significantly improve racial and economic equity in our community.

Section 4. Solutions

Overview

Righting past injustices and preventing further displacement of our low-wealth neighbors will take commitment and action from the City of Charlottesville and its residents. Ultimately, the community must come together to create a comprehensive housing strategy that prioritizes the most vulnerable and historically disenfranchised residents and moves us closer to achieving racial and economic justice.

At a minimum, Charlottesville must embark on land-use and housing policies that:

- Address long-standing racial injustice (such as urban renewal, racial covenants, and displacement), rapid increases in assessments, and a lack of affordable housing options;
- Are driven by directly affected communities, with City leadership and staff supporting community efforts; and
- Serve the most vulnerable members of our community, especially Black people and extremely low-income persons (below thirty percent (30%) AMI).

Charlottesville and its residents already owe a grave debt to Black community members. Housing is merely one way we can begin to pay reparations. Solving the housing crisis will require a larger vision of justice and inclusion integrated into the very fabric of the City, starting with the City government. This section delineates the components of such a housing strategy.

Experiential studies show that truly successful housing policies are:

- **Mandatory** - Policies that are nonnegotiable rather than voluntary create more deeply affordable housing. They also provide predictability, reasonable expectations, and meaningful incentives for affordable housing developers.⁹⁶
- **Permanent** - Policies designed to preserve affordability in perpetuity, rather than requiring only a limited affordability period, provide stability and certainty of continued affordable housing.⁹⁷
- **Funded** - Programs that are consistently and fully funded ensure reliable resources.⁹⁸
- **Supported** - Policies crafted, supervised, and championed by all levels of community stakeholders, from residents to the highest levels of local government, are more likely to survive year after year.⁹⁹

The following sections outline a non-exhaustive list of options, both short and long term. We begin with our recommendation of the most feasible and effective tool for tackling gentrification: putting control of their community directly into the hands of low-income communities of color. Next, we encourage strategic decision-making when implementing and funding City programs, as well as when allocating City funds, our third section, particularly to provide reparations to Black residents. Fourth, we suggest regulatory and zoning changes that should be considered in the hopes of overcoming the racist history of zoning highlighted above. Fifth, we examine partnerships that can and should be deepened to most effectively bring about change in the community. Finally, we discuss state-wide advocacy efforts we believe are quintessential to advance our fight.

A. Equity Tools

1. Commit to Equity

Charlottesville must address institutional and historical racism head on with concrete solutions, not just with symbolism and lofty speeches. Starting at the highest levels, the City should adopt a mission of equity that cascades down all aspects of governance. We applaud the City's efforts in completing an internal equity assessment in 2019, and its commitment to an ongoing advisory team to create culture change in the city. We also support an office of equity and inclusion as recommended by the advisory committee. The City and its residents can continue to unravel systemic racism in the housing arena by:

"We cannot have racial justice without housing justice."
- Survey respondent

1. Enacting an internal equity policy;
2. Prioritizing budget decisions that assist the most vulnerable members of our community; and
3. Committing to allow directly affected communities to truly lead as the City conducts its business.

Systemic transformation necessarily begins with internal change. City leaders and staff must embody and model a mission to eradicate and rectify the wrongs that have been done to communities of color. Direct consideration of equity should appear in all City governing documents. Many localities across the country have undergone city-wide social and racial equity analyses of their policies and practices, and either codified or formally declared their commitment to equitable policy.¹⁰⁰ For example, Atlanta, GA, and Austin, TX, have both established cabinet level offices of equity and inclusion,¹⁰¹ and Seattle, WA, and Portland, OR, both incorporated a commitment to racial equity into their planning documents, including their comprehensive plan.¹⁰²

"There used to be Black-owned businesses. Bike trails don't benefit us."
- Survey respondent

Likewise, we urge City leaders to revise department and program mission statements, internal policy documents, and job descriptions to incorporate explicit and concrete goals for reparations and eradicating racism in all decisions. All City staff should have a working knowledge of how the racial atrocities of the past persist into the present. All departments and commissions should be held accountable to a mission of racial justice.¹⁰³

Advocates have long requested that Charlottesville adopt a policy requiring equity assessments for all development projects brought before the City.¹⁰⁴

Analogous to the National Environmental Policy Act, an equity policy requires an impact statement assessing how a proposed project will impact racial equity in the immediate area and/or the City as a whole.¹⁰⁵ The policy would require "a systematic examination of how different racial and ethnic groups will likely be affected by a proposed action or decision."¹⁰⁶ Charlottesville's own Dialogue on Race produced a proposal for an equity assessment process which has yet to be enacted.¹⁰⁷

"Stop building ridiculous, expensive stuff."
- Survey respondent

We should note that Virginia is a Dillon Rule state; in Dillon Rule states, localities are prevented from creating policies that are not explicitly permitted by state law. To avoid Dillon Rule concerns, the City could also conduct internal equity assessments of projects rather than requiring assessments from developers. Prior to any City Council vote, dedicated City staff could analyze the equity impacts of a proposal and provide Council with an advisory opinion. To

illustrate, if a “beautification” project proposal came before the Council for funding, City staff would conduct a study of the project’s potential effects on historically marginalized communities. This assessment would be included in Council’s packet for the vote. This internal assessment, in combination with clear equity language in governing documents, would guide councilors in their decision to approve or deny the project.

2. Prioritize Correcting Past Discrimination

In Charlottesville as elsewhere, local and national programs meted out injustice on communities of color. The City and its residents must commit to doing justice for the theft of generations of wealth and repeated displacement. This starts by investing in Black people and low-income residents in its budget-making and resource allocation.

Decisions about where to direct resources are not colorblind. A vote to use City-owned land for something other than to serve those most in need is a vote to perpetuate the longstanding institutional racism built by generations before. Simply put, a decision to fund beautification in predominantly affluent white neighborhoods rather than invest in basic amenities in predominantly Black neighborhoods is a racist choice. Given the demonstrated correlation of economic and racial inequity,¹⁰⁸ choosing to invest in middle-income housing over low-income housing means choosing to continue displacing Black people from Charlottesville.

“Give us the respect we deserve, because you didn’t do us right back then.”

- Survey respondent

Charlottesville must explicitly define “affordable” in all of its ordinances and other governing documents, such as the comprehensive plan. The City should prioritize housing for the lowest-income families (those at zero to thirty percent (0-30%) AMI). Focusing initiatives and funding on public housing and nonprofits with explicit missions to provide affordable housing to that demographic will allow for deeper affordability and higher accountability to the community. The City’s current Comprehensive Plan has a goal of achieving only fifteen percent (15%) supported “affordable housing,” without formally defining what “affordable” means.¹⁰⁹ The City cannot continue to stand by this goal when the Needs Assessment so clearly shows that housing shortages are greater and more concentrated for those earning less than thirty percent (30%) AMI.¹¹⁰ This adjustment is imperative not only because of the numbers, but also because Charlottesville’s history compels us to follow the only morally acceptable path.

3. Share Power with Directly Affected Communities

Reversing the harm of the past requires deep and authentic community involvement. The City must both amplify those voices that have been historically silenced and respond to their input. Studies show that community leadership in City decision-making is a great weapon to slow displacement.¹¹¹ Many City

“This neighborhood has become entirely white, only 2 or 3 Black people [are] left.”

- Survey respondent

officials have begun to understand what advocates such as Joy Johnson, Board Chair of the Public Housing Association of Residents, have been explaining for decades: **directly affected individuals are the best experts on the real needs of their communities.** Policy-making groups—from neighborhood associations to city task forces—should reflect the community whose well-being is at stake.¹¹²

Low-income people deserve more than just a token “seat at the table.” In order to create a more just and accountable government, we must make community-driven oversight and decision-making accessible. The City should prioritize community involvement by providing low-income residents with:

“Charlottesville has a real opportunity to be a leader in racial justice for the whole country. Affordable housing would be a step towards achieving that. Additionally, it’s the right thing to do. We should support the low-income members of our community and to the best of our ability.”

- *Survey respondent*

- The tools and information that they need to learn about opportunities and fully participate;
- Proper compensation for their time;
- Accommodations for their scheduling needs; and
- Access to childcare, food, transportation and other supports to enable participation.

Charlottesville has a wealth of community resources, including organizations such as PHAR; University of Virginia faculty, staff, and students; and a network of highly engaged activists. Rather than viewing these networks as a hindrance to the City’s progress on affordable housing, we should embrace them, and draw upon their strengths for the community-driven development of affordable housing.

Of course, community-driven leadership needs resources; although such leadership is the most effective model, it does not come without a cost to those involved! The City should begin by paying stipends for low-income people who serve on boards, task forces, and review boards to account for their time and resources necessary for them to be available.

Similarly, City funding processes require reforms. The mechanism for social service agency grantmaking values professional grant writing over impact in addressing equity and other key priorities. This results in community-based organizations like PHAR, which lack staff grant writers, struggling to stay afloat, while others don’t survive at all (such as the Quality Community Council). The City should aim to provide resources to community-based organizations to help them seek grants with the same competitive level as those organizations with more resources.

4. Hire and Train Low-Income Residents

As the City works to address and correct the systems of inequality that are currently in place, it should significantly increase its investment in economic opportunities to benefit low-income communities. These initiatives could build off the Growing Opportunities program, potentially including job training, education, and support to create local small businesses with training and advancement opportunities. One tool for community-controlled development is Section 3 of the Housing and Urban Development Act of 1968, which “requires that recipients of certain HUD financial assistance, to the greatest extent possible, provide training, employment, contracting and other economic opportunities to low- and very low-income persons, especially recipients of government assistance for housing, and to businesses that provide economic opportunities to low- and very low-income persons.”¹¹³

“The Black population has to move because they don’t make enough to sustain themselves in the City.”

- *Survey respondent*

This approach has found success in Chicago in recent years. In 2013, after extensive community activism and a HUD investigation, HUD and the Chicago Housing Authority (CHA) entered into a Voluntary Compliance Agreement to ensure that the CHA met its Section 3 obligations.¹¹⁴ The Chicago Housing Authority began to use this program to cultivate meaningful job training opportunities for local residents. Resident groups such as the Cabrini-Green LAC Community Development Corporation, a resident led development corporation, also enforce Section 3 through partnerships with the CHA. CHA exceeded benchmarks set by HUD, including contractor hiring and subcontracting, prompting HUD to waive the last year of its compliance agreement.¹¹⁵ In the past few years, “CHA has become a leader in Section 3 activity, building the nation’s first office specifically tailored to Section 3 business concerns, offering direct assistance, training and support to Section 3 business owners. CHA also created an in-house portal system for Section 3 residents and businesses to search and apply for jobs and contracts.”¹¹⁶ CRHA has made great stride in the past two years in this area, hiring a new Section 3 coordinator and making it a high priority for the organization.

"The City needs to make economic opportunities available for people to have a dignified standard of living...to keep the neighborhood stable and prevent people from having to leave."
- Survey respondent

B. Strengthen and Empower Existing Programs and Tools

Charlottesville already has many of the tools that it needs to address the affordable housing crisis. Thus, it must begin by investing in efforts that are rooted in community voices, protect directly affected individuals, and have proven to be effective in our city.

"No one should have to worry about a roof over their head."
- Survey respondent

1. Continue to Invest in Public Housing

The Charlottesville Redevelopment and Housing Authority (CRHA) constitutes an important and powerful tool already in place for attacking the housing crisis. CRHA manages and administers all public housing and most housing choice vouchers for the City of Charlottesville. Public housing is the gold standard among affordable housing options available today because of its deep affordability, promotion of tenant organizing rights, and permanence. CRHA is an independent agency of the City and has demonstrated a serious commitment to resident-led governance. It has the authority to hold and develop affordable housing, and it has the support of the community.

To continue and strengthen the work CRHA is doing, the following action steps are recommended:

- The City’s separate funding to CRHA has been a tremendous and essential component of redevelopment of public housing in Charlottesville in a way that honors tenants’ voices and rights. CRHA should continue to receive increased financial support and staffing capacity;
- The historic level of funding appropriated in 2019 for redevelopment planning should be sustained in future years;¹¹⁷
- A strong collaborative relationship should be built between CRHA and the City’s Neighborhood Development Services (NDS). This will ensure the prompt issuance of necessary permits and provide timely assistance to extremely low-income residents; and
- All city-owned land potentially useful for housing should be transferred to CRHA to facilitate affordable housing development.

Currently CRHA is in the process of beginning redevelopment of its sites, starting initially with two sites. Charlottesville should provide timely attention and needed resources to the “parallel track” goal of improving resident quality of life at public housing sites not slated for redevelopment in the near future. City support would help address neglected maintenance, modernization, recreational improvements and other current needs.

Some of the people currently living in our community’s public housing were originally residents of Vinegar Hill or are their descendants. Therefore, the City must provide reparations to historically displaced Black families by properly investing in public housing repair and redevelopment.

We recommend that a separate, stable line of CRHA funding should be created to start to make amends to those displaced through racist city policies. In addition, the City should start a designated fund for reparations administered by CRHA to provide down payments and grants for affordable homes for former residents of Vinegar Hill and their descendants.

2. Strengthen the Charlottesville Affordable Housing Fund

The Charlottesville Affordable Housing Fund (CAHF) currently provides the only flexible funding source in the City for affordable housing. It remains relatively small, and until this year, virtually all the nonprofit housing providers and the City’s own public housing authority, CRHA, competed for the same small pool of funds. We recommend the following changes to the fund:

“I work three jobs every day, pay taxes, and can’t seem to purchase a home in a place that is supposed to be an affordable housing area!”
- Survey respondent

- Committing to significant, dedicated, sustained support by increasing funding by at least twenty percent (20%) each year for the next ten (10) years;¹¹⁸
- Protecting CAHF money from efforts to dilute the purpose, such as the 2018 effort by NDS to convert CAHF into a revolving loan fund rather than continuing the established grant program;
- Exploring requiring a greater cash contribution to the CAHF under our Affordable Dwelling Unit Ordinance;¹¹⁹
- Spending money from this fund strategically to prioritize projects that benefit extremely-low-income residents in a manner consistent with the principles laid out in this report regarding racial considerations. **The fund should prioritize non-profit developers who adhere to missions to serve low-income communities;**¹²⁰
- Attaching conditions to funding such as a requirement to adhere to anti-eviction and anti-displacement policies for a minimum number of years.¹²¹ Further, the CAHF should have a community advisory board which includes directly affected residents to oversee distribution;
- Exploring a “value capture districts” budget policy to create a dedicated funding stream for the CAHF.¹²² In Virginia, a certain percent of new real estate property tax revenue generated by redevelopment and rising assessments of properties with frontage along major growth and transit corridors can be dedicated to an affordable housing fund like CAHF and low-income resident tax relief within adjacent Qualified Census Tracts. For example, Water Street and Water Street Extended tax revenue would be directed to QCT 4.01 (Ridge Street);¹²³

“The wealthy developers should provide options for affordable housing when they build and build and build. They get richer while they squeeze out long term residents.”
- Survey respondent

- Finally, those administering this fund should continue working in partnership with the Housing Advisory Council to ensure the greatest impact in funding decisions.

3. Increase Funds for City Housing Choice Vouchers

Thus far, City funding has only made a small dent in the need for housing subsidies in Charlottesville.¹²⁴ According to Charlottesville Tomorrow, “under the current federal housing assistance program, the Charlottesville Redevelopment and Housing Authority is authorized to fund 533 rental vouchers. But because rental rates are so expensive in Charlottesville, the CRHA can only afford to fund about 400.”¹²⁵ Meanwhile, as of July 2017, CRHA reported having 1,402 people on the waiting list for housing vouchers. In 2017, the City approved \$900,000 for a new locally funded voucher program to enable at least another 100 families to achieve stable housing.¹²⁶

To improve the voucher program, the City:

- Must increase the funding for these vouchers;
- Must provide sufficient funding for staff to administer the vouchers, including landlord outreach and enforcement; and
- Should create a permanent funding source for this program so it does not need to be re-approved every fiscal year.

“The waiting lists for housing are really long. Me and my baby were basically homeless, even though I was working full-time. It took a really long time for us to find anything.”
- Survey respondent

Despite the progress of the voucher program, there are serious barriers to entry that must be mitigated, including: a lack of available housing within City limits, a limited supply of vouchers relative to the demand, a lack of funds for security deposits, and outright discrimination by landlords who refuse to rent to voucher holders.¹²⁷

In addition to the aforementioned recommendations, the City should explore flexibility within the voucher program. For instance, it could combine resources with local nonprofits and provide vouchers to secure housing with mission-driven organizations. Further, to minimize the threat of discrimination from landlords, Charlottesville must provide education and incentives to landlords in high-opportunity areas with access to employment and transit, thereby furthering racial equity goals.

4. Adopt the Charlottesville Affordable Housing Mobility Fund Ordinance

In 2017, the City created a Landlord Risk Reduction Program, which allows landlords who rent to low-income tenants to seek reimbursement from a pool of funds for damages to their rental properties. Although this may have provided some encouragement to landlords to rent to tenants with rent vouchers, it unfortunately also reinforced a stereotype that voucher holders will damage the property of the landlords and incentivizes landlords to pursue frivolous lawsuits against tenants. Furthermore, there existed no data on the success of the fund in terms of whether landlords who would not otherwise do so have rented to low-income tenants because of this program. Adding to the program’s problems, it requires that landlords sue and obtain judgments against tenants for alleged damages from tenancy in order to access the fund.¹²⁸ The Landlord Risk Reduction Program exemplified a proposal that needed community input, but communication and accountability were not built into the process.

“Sixty years later we are still being treated like we’re prisoners. But our only crime is that we didn’t invest our money, because we didn’t have any money to invest.”
- Survey respondent

Therefore, the Housing Advisory Policy Sub-Committee has proposed a new use for these appropriated funds: a fund which allow tenants to use the funds in lieu of a security deposit and for landlords to be compensated should any issues with rent or damages arise.

"I don't have money for food after I pay rent at the end of the month."
- Survey respondent

This fund program has the potential not only to encourage landlords to utilize the voucher programs in Charlottesville, it is an opportunity to create a collaborative among the public and private sector to increase housing mobility across the city. Tenant-friendly landlord incentive programs incorporating such elements as described above can be found in a number of cities across the country, including Richmond, Virginia.¹²⁹

C. Financing & Revenue Generation

In addition to investing in community efforts and tools, Charlottesville must take proactive financial steps to address the affordable housing crisis and provide reparations for the harm it has caused Black residents.

1. Adopt Equitable and Progressive Budgeting and Taxation

Due to decades of disinvestment, prioritizing restitution to Black Charlottesville residents may require new revenue. **We advocate for using progressive taxes to support anti-displacement efforts and construction of new affordable housing for extremely low-income people. At the same time, we remind lawmakers that investment in affordable housing is a matter of priority, not simply of revenue.** The City (its residents and its leaders) must ask itself why it approves some multi-million dollar projects and pro-business tax credit programs in the budget without much debate, while others, especially those associated with helping low-income people, are the focus of dozens of hours of consideration.

The City must tie future tax increases to clear commitments to paying back what it owes to Black communities in Charlottesville after centuries of state-sanctioned oppression. Any changes in taxation must be coupled with commitments to affordable housing and confronting displacement, be it in the form of a bond issuance for CRHA or a five-year commitment to fund the Charlottesville Affordable Housing Fund at a much higher level, otherwise the funds could be used in ways which perpetuate injustice.

"Non-whites are having to move. My heirs can't stay here because of taxes."
- Survey respondent

CLIHC supports consideration of adjusting real estate taxes back to pre-recession or state median levels to support important priorities such as housing and education. The City should couple such a change with aggressive tax and rent relief. CLIHC also applauds Council's courageous vote to increase meals and lodging taxes to address the needs of those most neglected by our City. City staff should also research their ability to apply tax incentives for owners of affordable rental housing so that owners don't pass increased taxes on to tenants.¹³⁰

Finally, the City should continue to make improvements to the Charlottesville Housing Affordability Program (CHAP), which provides tax relief for low-income residents, as well as the programs serving people who are older than sixty-five (65) or who have disabilities.¹³¹ Increased rebate amounts and expanded eligibility is a way to create progressive taxation and slow the tide of displacement that is rapidly changing our city.

2. Issue Redevelopment Bonds for Affordable Housing

In the early 1980s, Charlottesville issued a \$9.5 million bond and appropriated the funds to CRHA; in turn, CRHA transferred these proceeds to a private developer slated to build a hotel-convention center atop of the former Vinegar Hill community.¹³² Charlottesville can reclaim this same procedure from its ugly past for the benefit of those it harmed by issuing a bond and committing bond proceeds to extremely low-income housing instead of to private profit.

Although CRHA has the power to issue its own bonds, it does not have the resources to back them.¹³³ Thus, the City must step in and commit to their debt servicing costs. The City should use any budget surpluses to back CRHA bonds. CLIHC asked for an initial bond of \$50 million to support affordable housing, specifically the redevelopment of public housing, and publicized this request with a petition that received support from more than 3,000 people. Although the City did double their contributions for fiscal year 2020, this is only a short-term solution, whereas a bond would provide annual support. With additional resources, CRHA and other affordable housing providers could expand the numbers of apartments and homes available for extremely low-income and very-low-income people.¹³⁴

3. Be Wary of Tax Increment Financing

Many municipalities across the country fund development projects through Tax Increment Financing (TIF). TIF programs allow local governments to issue bonds to developers backed by the projected increased tax revenue in the project area.¹³⁵ Virginia law enables municipalities to use TIF by designating a “TIF district,” freezing the tax revenue base in that area and using any additional tax revenue to repay infrastructure financing.¹³⁶ Tax revenue from the original tax base, as well as any surplus revenue after project debts are paid, goes to the City’s general fund.

Although TIF districts may be useful for encouraging development without raising taxes, there are a number of drawbacks. First, use of TIF revenue is limited to funding development project costs, most commonly infrastructure improvements, and it is not clear that the revenue can be pledged to affordable housing.¹³⁷ Second, the designation of a TIF district removes increased revenue, some of which may have accrued due to natural property appreciation, from a city’s general fund and can no longer fulfill basic City needs, such as school funding or social services.¹³⁸ Third, Virginia law requires that TIF revenues be placed into a Tax Increment Financing Fund which lacks the oversight and community input of the normal budgeting process.¹³⁹

Therefore, if Charlottesville pursues TIFs or similar revenue tools, it must pair its efforts with true commitments to equity affordable housing and oversight so that funds are used for their intended purpose.

4. Explore Long Term Tax Solutions

Taxation can be an incredibly powerful tool to encourage affordable housing development and preservation. However, Virginia’s restrictive Dillon Rule may stand in the way of some of the most effective progressive tax reforms. Thus, Charlottesville may need to seek permission from the General Assembly to enact some of the following suggestions.

a. Earmark Taxes and Fees for Housing for Extremely-Low-Income People

Tying tax revenue to affordable housing and anti-displacement should be a high priority. Currently, the City is experiencing increased revenue as the urban core becomes a more popular destination for living; however, the City has not harnessed new revenue for the purpose

of lifting up the most vulnerable in the long term until very recently. If the City does not have the power to stop rampant development within its borders, it should at a minimum capture the new revenue to reinvest in its residents.

To start, new revenue should be injected into at-risk neighborhoods with the explicit goal of preventing displacement of lower-income residents.¹⁴⁰ Spikes in revenue due to skyrocketing property values in neighborhoods under attack should be set aside for a strike fund to purchase property and stem displacement.¹⁴¹ Impact or linkage fees for new developments, particularly in rapidly changing neighborhoods, should be earmarked for affordable housing targeted to the extremely low-income demographic.¹⁴² One option may be for the City to waive these fees to reward those developers who commit to increasing the affordable housing stock for extremely low-income people.

b. Use Tax Policy to Increase Funds and Deter Harmful Practices

with the right enabling authorization from the state, the City could fund affordable housing *and* prevent rapid displacement of communities of color. Carefully crafted revenue tools, such as the mansion tax, can potentially curtail harmful speculation in vulnerable neighborhoods and generate income for the City to be used for affordable housing efforts.¹⁴³ For example, discouraging “flips” or speculation in vulnerable neighborhoods could be done through anti-speculator taxes, which apply higher tax rates for homeowners who do not live in the home and own the property for less than a certain period of time (such as one year). Vacancy taxes, or fees levied on properties that are in resource rich locations that remain empty, can discourage wasted land and fund affordable housing simultaneously.¹⁴⁴

Charlottesville could also consider levying higher taxes on properties that cause rapid price escalation within a short time period. Charlottesville should tax new developments in neighborhoods under attack at a more aggressive rate than those developing in historically exclusionary zoning areas. The City could then use a properly run TIF-like structure to set aside funds earmarked for affordable housing within a half-mile radius of any new development. To do this, Charlottesville could look to New York City’s tax on high value homes. New York has long levied what some unapologetically call a “mansion tax”: additional taxes on homes valued at above \$1 million.¹⁴⁵

Finally, the City could offer landlords tax incentives in exchange for concessions that benefit renters such as a pledge to accept or other tenant-friendly deed restrictions. Land value taxes, or split rate taxes, and real estate transfer taxes are other creative solutions for tackling inequity in the city.¹⁴⁶ Many of these solutions will require further analysis for unintended consequences and state restrictions, but they are well worth the investigation to generate revenue and encourage responsible, ethical building in the City.

5. *Freeze Tax Assessments and Create Automatic Tax Exemption Programs in At-Risk Areas*

To preserve equity and prevent displacement of long-time homeowners in historically Black neighborhoods, the City could explore freezing assessments for longtime and/or at-risk homeowners in areas facing rapid displacement.¹⁴⁷ Charlottesville has enacted few protections against rising taxes in vulnerable neighborhoods, even though state law allows for tax deferral of all or any portion of “the real estate tax that exceeds 105% percent of the real estate tax on such property owned by the taxpayer in the previous tax year.”¹⁴⁸ The deferred amount would become due upon the sale of the property or the death of the taxpayer.¹⁴⁹

New York City's Property Tax Circuit Breaker Program could inform the City's implementation of this deferral statute, although Charlottesville should amend this approach by removing the requirement that the bill be paid upon receipt.¹⁵⁰ Through this program, once a homeowner's property tax exceeds a certain percentage of gross income, the homeowner is entitled to tax relief automatically, rather than having to apply through a more burdensome process.¹⁵¹

Another option that already exists is for homeowners to appeal tax assessments; however, many residents remain unaware of their rights to do so, and thus this option remains under-utilized. The City should publicize information about this program through targeted outreach to vulnerable homeowners, and officials should take the risk of displacement into account when an appeal is filed.

D. Zoning and Regulation

City officials or consultants regularly claim that land-use regulation and zoning are neutral tools—helpless against social ills. These claims cannot continue, as they helped create the social ills plaguing this city. The core of Charlottesville's land use and zoning rests upon a foundation of racism. Indeed, as discussed above, Harlan Bartholomew, a central figure in exclusionary zoning highlighted in one of the nation's most significant works about segregation, created Charlottesville's first comprehensive plan.

"If you've been here all your life you shouldn't have to leave. This is bad."

- Survey respondent

Charlottesville pushed Black neighborhoods into industrial zones, while protecting white neighborhoods so that they could remain racially exclusionary. We must scrutinize the designations in these neighborhoods that persist and attempt to end the longstanding tradition of discrimination against communities of color. As Jordy Yager, digital humanities archivist at The Jefferson School African American Heritage Center, asked in a presentation on the legacy of racism in zoning and land use, what would it look like if we "gentrified" formerly whites-only neighborhoods? What if we reform the current land use map to address the imbalance that allows developers extensive building rights in historically Black neighborhoods as a legacy of environmental racism and exclusionary zoning, but very few rights in the former whites-only neighborhoods?

"If you build houses around that aren't affordable, they're not for people that's working. It's really hard."

- Survey respondent

1. Upzone Neighborhoods with a History of Exclusionary Zoning

At present, without mandatory inclusionary zoning ordinances, the City will continue to fail to meet affordable housing goals. The current affordable housing ordinance falls far short of the need.¹⁵² Although sometimes called the "third rail" of zoning, it is nonetheless high time for Charlottesville to critically reevaluate the "R1" single-family zoning in the City, particularly in those areas with a history of racial exclusion. "Upzoning" signifies the process of allowing multi-family dwellings in areas that previously only permitted single-family homes. In 2018, the Planning Commission appeared to have begun examining the elimination of single-family zoning, as Minneapolis has also recently done.¹⁵³ **The City should upzone historically exclusionary areas, restricting by-right development to affordable units for extremely low-income people.**

Mr. Yager has undertaken an extensive mapping project to identify neighborhoods that have historically excluded communities of color, through either explicit or implicit means.¹⁵⁴ The City must decide how it will incorporate this information into its planning efforts. For example, the North Downtown neighborhood, which includes properties that once held racial covenants, directly abuts the economic hub of the city, the Downtown Mall.¹⁵⁵ Yet, multifamily housing is not permitted in much of this area due to the historically exclusionary zoning in this neighborhood. Upzoning neighborhoods such as Greenbrier, Rugby Road, the Downtown Mall, North Downtown, and other strategically located areas (all of which offer the convenience of being within walking distance of transportation hubs, economic opportunities, and quality education) *only for affordable housing for extremely low-income people* would be a significant step on the path to equity in Charlottesville.¹⁵⁶ **Affordable housing should be permitted by right in these neighborhoods.**

Strategic placement that acknowledges historic institutional racism will have the added benefit of achieving federal mandates under the Fair Housing Act, namely to affirmatively further fair housing,¹⁵⁷ and begin to make amends for past policies. Such a zoning change should **occur now** and should be incorporated in the comprehensive plan and land-use map that is underway as this report is being generated.¹⁵⁸

According to a May 2018 Shelterforce article, “[i]f a city is considering changing its zoning to allow for increased density in one or more neighborhoods, it’s likely that those neighborhoods have enough market demand to support an inclusionary requirement. Upzoning creates valuable new development potential that can lead to higher profits. Including affordability requirements along with upzoning allows the government agency to capture some of the value provided to developers by the increased density for the provision of affordable housing. In these cases, it’s essential to bake in affordability requirements at the moment of upzoning so land costs don’t immediately rise to eat up the value of the new development potential.”¹⁵⁹

2. Downzone to Incentivize Affordable Housing

Conversely, the Planning Commission could investigate downzoning certain areas of the city, reducing the allowable development in those areas, **but allow the right to build affordable housing “by right.”**¹⁶⁰ Currently, areas close to the downtown corridor have relatively high by-right development standards, and downzoning could limit the amount of market rate housing development and encourage the development of affordable housing.

“[Developers are] putting in new million-dollar homes in areas where low-income families were once able to afford.”

- Survey respondent

Downzoning could appease critics of density, while also providing a mechanism to incentivize affordable housing development. By reducing the allowable building rights such as height and density except for affordable housing development, the Planning Commission could independently encourage development of affordable housing and harmonize the current zoning landscape with the affordable housing ordinance.¹⁶¹

Finally, the Planning Commission should consider identifying historically Black neighborhoods and, with genuine community engagement to identify the desires of long-time residents, consider downzoning these neighborhoods. This could begin to undo decades of institutional racism, where Black families were forced to live in the only neighborhoods not governed by restrictive racial covenants and racist segregation zoning ordinances, allowing for unfettered development and sometimes caustic non-residential uses.

"We've lost a lot of this neighborhood. Our house and our neighbors are the only ones remaining. The City needs to prevent long-time residents from being pushed out."

- Survey respondent

3. Leverage Accessory Dwelling Units

An Accessory Dwelling Unit (ADU), sometimes referred to as a "granny flat" or "in-law unit," is a detached or attached independent home located on the same property as a (typically larger) primary home. While ADUs can provide a small number of additional units, this housing intervention is often used as short-term rentals (such as Airbnb), and not for affordable housing.¹⁶² Without protections in place to ensure that ADUs are used by those with the greatest need, ADUs may end up only benefiting high-wealth students and homeowners.

"How are you supposed to live in Charlottesville? It's not affordable here except for the doctors, lawyers and college students. Regular people with 9-5 jobs can't afford it. Some landlords want three months' rent up front."

- Survey respondent

Charlottesville currently allows for accessory dwelling units, but only if the property owner lives onsite and the ADU does not house more than two people.¹⁶³ However, certain restrictions could be altered for landlords **in exchange for enforceable affordable housing agreements**, such as:

- Agreeing to rent to voucher holders;
- Agreeing to maximum rental charges; and
- Enabling both the main property and the ADU to be rental units, if they are affordable or rented to voucher holders, rather than requiring the property owner to live there.

Likewise, the City could encourage the use of ADUs for affordable housing by permitting the following **in exchange for deed restrictions** for affordability:

- Removing the ADU occupancy limit;
- Increasing allowable square footage;
- Increasing allowable height; and
- Reducing design restrictions.

The City could explore financing for construction of affordable ADUs by partnering with non-profit providers and condition such loans or grants on affordability requirements with careful monitoring.¹⁶⁴ Planners should meet with non-profit developers to explore how these barriers to building can be overcome so that at least private initiatives to build are supported.

Charlottesville cannot have a conversation about ADUs without first confronting its problem with short-term rentals crowding out housing for permanent residents. The City's own study found that **"more than 200 year-round housing units in the city have been diverted to short-term transient rentals through Airbnb and other leasing services."**¹⁶⁵ The City must place

restrictions on short-term rentals, enforce existing regulations, increase its seven percent (7%) tax on such rentals to fund affordable housing construction, or impose a fee system, as other cities have done.¹⁶⁶ Charlottesville cannot continue subsidizing amenities for tourists while neglecting its own residents.

4. Small Area Plans: Enact Only if Low-Income and Historically Silenced Voices Are Incorporated

Charlottesville has already begun the use of small area planning or planned unit development tools in the Hydraulic, Cherry Avenue, and now Starr Hill neighborhoods.¹⁶⁷ The City must be careful when creating small area plans and only use such plans if when they are guided by principles of citywide equity. These tools can either be an excellent tool for change or a further entrenchment of historical discrimination against Black residents.

Small area plans are exactly as they sound: a plan, or regulating document, created only for a designated geographical boundary, such as a neighborhood.¹⁶⁸ Small area plans pose a threat to equitable housing if they are created as islands, disconnected from the larger historical context and voices of traditionally disenfranchised people.¹⁶⁹ To illustrate, small area planning becomes a tool for racial discrimination if the City initiates a plan in a neighborhood with a legacy of exclusionary zoning and only engages the residents currently living in that neighborhood. Without the voices of historically excluded residents, the current residents often demand to keep the neighborhood the same, and the racist zoning laws of the past continue in practice.¹⁷⁰ The City should not use small area planning to solely engage current residents living there by virtue of continued state-sanctioned segregation or in a way that does not directly address prior exclusionary practices in the neighborhood.

If done right, however, small area planning could be a tool to adopt concrete mechanisms to make amends for discrimination such as increased zoning allowances for affordable or modest housing development. For example, exclusionary neighborhoods can strategically engage residents citywide and lift up the voices of those, particularly of Black residents, who were historically excluded from the conversation.¹⁷¹ Small area planning, like all planning and development in Charlottesville, must confront the persistence of segregation and discrimination. Any other approach will fail to address persistent racial inequity.

5. Preserve Historically Black Neighborhoods and Protect Long-Time Black Residents

Charlottesville has already lost too many Black neighborhoods due to urban renewal and recent inaction.¹⁷² The City must now do all that it can to protect remaining long-time Black residents and neighborhoods. To do this, the City needs to explore both existing obligations and new tools. To start, in addition to prohibiting direct discrimination against protected groups, the Fair Housing Act (FHA) requires HUD to ensure that the City affirmatively furthers fair housing.¹⁷³ This means that recipients of federal Housing and Urban Development and other federal funds must “*take the type of actions that undo historic patterns of segregation and other types of discrimination and afford access to opportunity that has long been denied.*”¹⁷⁴ The City fails to meet its FHA obligations when it does not preserve existing affordable housing and allows the mass displacement of Black people.¹⁷⁵ It also violates the FHA when it aims to relocate Black people to areas that lack resources such as public transportation, quality schools, and accessible food sources.¹⁷⁶ Aggressively combating “gentrification” or displacement, therefore, must become a top priority for Charlottesville to meet its FHA obligations.

“We rode around the neighborhoods and it broke our hearts. They’re tearing stuff down and it feels traumatizing.”

- Survey respondent

To do this, the City should take several steps. First, residents and the City can work together to identify at-risk or “cultural preservation” areas requiring protections. Data from the recent city-sponsored housing needs assessment and the Orange Dot report has already provided some information as to where such culturally rich neighborhoods are located, but the City could do more to identify and protect these neighborhoods. For example, in Denver, CO, a study mapped the entire city and identified areas in need of specific protection from displacement.¹⁷⁷

Second, Charlottesville—both the government and the community at large—should value and protect the residents remaining in historically Black neighborhoods with the same ardor that it displays for historic preservation. The City must explore targeted housing interventions¹⁷⁸ for long-time Black residents in those neighborhoods, such as:

“Most people I know are paying way more than we can afford for rent. I have to choose between paying my rent on time and putting healthy food on the table. Some months I can’t get prescriptions filled. Other people I know can’t choose high-quality childcare. The barriers are so large for low-income people.”
- Survey respondent

- Resident-driven planning;
- Additional tax and rent relief and home repair grant allocations;
- Height and density or other development restrictions;
- Foreclosure prevention funding to keep long-time Black homeowners in their homes;
- Zoning restrictions – analogous to a historic preservation designation but with the purpose of uplifting low-income, low-wealth homeowners; and
- Protections against demolition or mass displacement of livable affordable homes.

Other cities have accomplished such preservation of community by enacting similar policies to those above. Chinatown in San Francisco, though struggling today, experienced decades of demographic stability and affordability after community activists organized around preserving their neighborhood.¹⁷⁹ Community-led planning that honored both needs and assets of the neighborhood hallmarked the process. Charlottesville could also consider rebuilding communities lost to displacement by providing priority to displaced residents in building projects, as Portland, OR, has done in its “right to return” program.¹⁸⁰

Finally, the City could employ the equity tool described above in Section 4.A.1 to prevent displacement in vulnerable neighborhoods. Any time a developer requests funding of any kind from the City, or the City decides to invest in a threatened neighborhood, the project would be analyzed for potential displacement of residents.¹⁸¹ If an equity analysis shows that there will be negative impacts on vulnerable communities, the City should require mitigation of such displacement as a part of the planning process. The City must take the stance that undoing structural racism is as important—if not more so—as historical preservation.

6. Improve Current Procedures and Regulations

Both developers and advocates agree that the current zoning code and procedures for development are broken. Development of affordable housing is no exception. The City has already received recommendations from its Housing Advisory Council to ease the pathway to development of affordable housing, especially for nonprofit and community-based groups.¹⁸² Currently, nonprofit and affordable housing developers face significant barriers to building homes.

Although the City already provides benefits for increasing the building stock, developers struggle with the development process. For example, fee waivers and expedited processing for affordable or nonprofit development exist in local ordinances, but neither of these are consistently followed or implemented.

Even with expedited processing, a permitting process for an affordable housing site can take many months. The 2019 success of the CRHA site planning approval demonstrates the achievability of responsive and efficient processes.

Further accommodations for affordable housing development recommended by the HAC include:

- Reducing setback requirements and minimum lot sizes to allow for small-scale development;
- Increasing maximum densities for affordable housing;
- Increasing by-right development for affordable housing; and
- Easing other regulatory mechanisms that prevent the building of accessory dwelling units and small-scale development.¹⁸³

Charlottesville can learn from other cities like Alexandria, Virginia, that have investigated comprehensive ways to enact and implement site plan and approval processes to encourage affordable housing and discourage displacement.¹⁸⁴ Many stakeholders, developers, and housing advocates alike believe that the City is due for a zoning overhaul that encourages livability and affordability.

7. Neighborhood Development Services Should Champion Affordable Housing

Neighborhood Development Services (NDS) could become a powerful force for fostering positive change in the city if it adopted a mission that prioritizes increasing affordable housing. For example, it could become a data repository for the City, or it could host a one-stop housing navigator for the City.¹⁸⁵ A closer analysis and improvement in the structure and processes of the City's Department of Neighborhood Development Services could help ease barriers to building affordable housing quickly.¹⁸⁶

During 2017, IMPACT, a local faith-based coalition, conducted research and community outreach to determine affordable housing needs and find out what barriers to affordable housing could be eliminated. After conducting "12 research visits with area housing service providers, stakeholders and experts," IMPACT identified some of the main barriers to creation of new affordable housing, including "lengthy, unpredictable approval processes" and outdated zoning that "carries over vestiges of redlining and racial deed restrictions."¹⁸⁷ IMPACT determined that these barriers make it "expensive and unlikely for builders to create more affordable homes."¹⁸⁸

IMPACT asked that the City expedite the approval process for building affordable homes and making changes to zoning policies by working with local groups to complete an audit of the zoning ordinance.¹⁸⁹ IMPACT asked for commitments from City officials to address these barriers, to which officials agreed, but with some reservations.¹⁹⁰ IMPACT also made requests of the County of Albemarle, which likewise made commitments; however, IMPACT had expressed frustration that the County was not moving forward swiftly enough with these commitments.¹⁹¹

E. Critical Partnerships

Community members and groups led by low-income residents should be the primary partners in re-envisioning Charlottesville through affordable housing and community development. However, many stakeholders must also be included in this process in order to have every voice at the table and use every tool in the toolbox.

“The lack of affordable housing is a public health crisis.”

- Survey respondent

1. Prioritize Nonprofit Housing Providers/Developers

At every opportunity, Charlottesville should prioritize collaborating with organizations who hold explicit goals of providing for extremely low-income individuals over for-profit developers. It should also favor non-profit housing generators who build with an eye for permanent affordability. The City should provide incentives to these providers to work in concert rather than compete against one another for limited City funds. The Appendix of this report lists and describes many such non-profit housing providers.

By focusing resources on community-based, resident-driven, and nonprofit developers and providers, we can ensure that Charlottesville is less vulnerable to market fluctuations and corporate interests that will disproportionately harm low-income and minority communities.

“In this City of affluence, why can't there be enough housing for workers?”

- Survey respondent

2. Prevent Homelessness Through Legal Representation

Studies show that tenants consistently fare better in eviction proceedings when represented by an attorney. A small but growing number of municipalities have decided to establish a right to free legal counsel for tenants.¹⁹² Charlottesville should not fall behind. Ensuring that every low-income tenant facing eviction can access free legal assistance would promote housing stability. The Charlottesville Albemarle Bar Association, the Legal Aid Justice Center, and the Central Virginia Legal Aid Society could be key partners in such an endeavor, particularly with CABA's new pro bono attorney coordinator and strategic plan, adopted in 2018.¹⁹³

RIGHT TO COUNSEL

Right to counsel is a movement that can make housing court work better for both parties. With both sides represented, outcomes can be better for both tenants (who may be able to stay in their homes) and for landlords (who only collect rent if a tenant stays put). In most cases, there are alternatives to eviction—payment plans, forced property improvement, debt assistance—that can help all involved.

In New York City, for example, an independent firm discovered that the city would save \$320 million by paying for attorneys instead of shelters and other homeless-related expenditures. In the fall of 2017, New York City became the first major city to invoke a right to counsel for tenants in housing court.

From “Evicted,” a 2018 display at the National Building Museum.

As of July 1, 2019, Richmond, Petersburg, Hampton, and Danville are part of a mandatory pilot Eviction Diversion Program thanks to the tireless efforts of the Virginia Poverty Law Center and Central Virginia Legal Aid Society. If a tenant who is behind on rental payments satisfies certain requirements, they may enter a court-entered payment plan and ultimately avoid eviction.¹⁹⁴ Through partnerships with state advocates, Charlottesville could take part in this new program.

3. Work with Albemarle County to Better Develop the Urban Ring

Albemarle County forms a critical part of the solution to local affordable housing needs. While city and county governments are separate legal entities in the Commonwealth of Virginia, the populations of these entities are not practically separate. Housing, land use, transportation, and tax policies must better reflect the reality of Charlottesville and Albemarle’s shared populations, which are fluid and often move back and forth across city and county lines daily.

Because Albemarle County is geographically large and partly rural, CLIHC recommends that initially both localities should primarily focus on Albemarle County’s “urban ring” neighborhoods that directly surround the City. Albemarle County already has tools at their disposal that could increase affordable housing development. Though Albemarle County has the right to enact an inclusionary zoning ordinance under state law, it has failed to do so. The County’s Comprehensive Plan identifies “Development Areas” that comprise five percent (5%) of the landmass of the entire jurisdiction, equivalent to thirty-five (35) square miles.¹⁹⁵ Combining targeted development areas with aggressive inclusionary zoning could alleviate some of the immense pressure for affordable housing in the region.

The need for affordable housing in Albemarle County dwarfs the need in Charlottesville, likely because so many households have been forced out of the City. Anita Morrison, hired by the Thomas Jefferson Planning District Commission to complete a study of housing, found that **6,408 households in Albemarle County are cost-burdened**.¹⁹⁶ This study also found that twenty-one point four (21.4%) of households in the “urban area” of Charlottesville and Albemarle

live on *less than* \$25,000 per year.¹⁹⁷ For a County with immense pockets of wealth, this housing disparity ought not to continue.

A regional housing strategy must be swiftly developed and enforced. Together, the City and County must build and protect deeply affordable housing and expand public transportation along shared corridors, and apply coordinated implementation strategies.¹⁹⁸ It is within the County's best interest to partner with Charlottesville, as the County often absorbs residents who want to live close to the City but cannot find affordable housing, including those City residents attempting to attach housing vouchers when they are unable to do so within city limits. Traffic has already become a nuisance for both entities, as both have failed to address growing sprawl due to displacement and population growth.

"I know people working for the planning department in another City and they are very focused on finding solutions to housing needs of low-wealth people. Why don't we have more of that?"

- Survey respondent

4. Hold the University of Virginia Accountable

As the largest employer in central Virginia and with holdings of more than \$1 billion in property in the City of Charlottesville alone, the University of Virginia is a major force in local housing trends. As a non-profit institution, UVA does not pay taxes on any of its real estate holdings. Though contributing little to affordable housing funds and other City money, UVA enjoys many benefits provided by the surrounding community, often citing Charlottesville's amenities in its promotional materials and in recruiting documents for faculty and staff. On a more mundane level, the University depends upon infrastructure maintenance, fire and police services, and sewers, among other services, funded by the City's taxpayers.

Until recently, a large percentage of UVA employees—particularly those working with contractors, such as Aramark—received such low wages that they qualified for public assistance, including subsidized housing. While we hope that recent increases in minimum wage at the University ease some of these burdens, lower-wage workers continue to form the backbone of operations and services staff at UVA. Moreover, UVA does not provide housing for all of its students. Both of these populations contribute to the tax base of the city but also severely burden the supply of available low-cost housing.

We applaud the historic decision of UVA President Jim Ryan and the Board of Visitors to increase the minimum wage of their employees to \$15.00 per hour. UVA is also working on addressing inequity and racism in the Charlottesville community through its Equity Initiative. The Equity Initiative has started pilot projects focused on topics including community research collaboration, police accountability, schools, and public health. It is important that UVA use the Equity Initiative to address the lack of affordable housing for very low-income people in Charlottesville and the destruction of historically Black Neighborhoods.

In addition to these efforts, we recommend a variety of additional strategies UVA could use to combat the adverse impacts by UVA on the City including the following:

- Housing all second-year students on grounds (as it has already considered doing);¹⁹⁹
- Joining its peers such as Brown, Harvard, Boston College, Carnegie Mellon, and the University of Pittsburgh in implementing a Payment in Lieu of Taxes program, providing financial support to the City for the services it provides. After conducting a self-assessment of its real estate holdings, UVA should partner with the City to calculate how much it would pay in taxes on such properties if it were not tax-exempt, and then negotiate an annual donation to cover these costs;
- Piloting a program where UVA contributes to the Charlottesville Albemarle Housing Fund; and
- Developing affordable housing for low-wage workers on UVA-owned land near the University or in the urban right where public transportation is accessible.

“Wertland Street used to be all affordable rentals for local folks. Now it’s taken over by students.”
- *Survey respondent*

F. State-Wide Advocacy

The City should pursue robust advocacy efforts at the local, state, and national levels. Since Charlottesville is largely restricted by Virginia law, below are examples of state-level advocacy efforts that the City Council, City officials, and other advocacy groups should explore.

1. Support Home Rule Legislative Efforts

As previously stated, Virginia is a “Dillon Rule” state.²⁰⁰ Because of the Dillon Rule, most municipalities in Virginia may only enact “mandatory” inclusionary zoning ordinances pursuant to a complicated and restrictive density ratio set by statute. State law restricts local governments, with the exception of six localities, to a highly circumscribed formula to incentivize developers to build affordable housing.²⁰¹ This has proven a tremendous barrier to achieving housing equity as it prevents municipalities from adopting locally tailored inclusionary zoning ordinances. Virginia must reconsider this model of governance, as it stands in the way of progress on several fronts pertaining to social justice. Charlottesville could become a powerful voice in advocating for adopting a home rule approach, which provides municipalities freedom in lawmaking, in Virginia.

By the same token, Charlottesville must end its historic practice of hiding behind the Dillon rule whenever it is inconvenient or not politically expedient to make difficult policy changes. Thirty-nine (39) states total also adhere to this rule and creative strategies exist for working within its restrictions. A report by the Brookings Institute suggests that “localities... need to reexamine their own regulations (which set the rules of development) and urge states to take a leadership role. Local control such as zoning, comprehensive plans, subdivision regulations, and infrastructure investments, play a powerful role in addressing metropolitan growth challenges.”²⁰² The Dillon Rule is primarily enforced by threat of lawsuits, and Charlottesville must approach racial and social justice policy-making with an aggressive hand. It can no longer be guided by fear rather than courage.

2. Enact Inclusionary Zoning

Traditional mandatory inclusionary zoning, or the requirement for developers to build a certain percentage of affordable housing units in any new development, is a vital tool to stem displacement across the nation. Virginia, at this time, does not permit traditional mandatory inclusionary zoning ordinances. Instead, most localities are forced to use voluntary incentives to spur affordable housing development. For instance, Virginia municipalities may incentivize developers to build affordable housing by allowing deviations from the existing zoning code in exchange for units or other contributions.²⁰³ Unfortunately, Charlottesville is one of many cities in Virginia whose affordable housing programs are further limited by a state statute that does not permit localities needed flexibility to set incentives.²⁰⁴ Charlottesville must join the fight to make this possible in the state and national arena in order to achieve equity in housing opportunities.

By supporting advocacy in Richmond to **permit more flexible inclusionary zoning across the state**, the City could acquire additional tools to foster affordable housing development. Virginia must repeal the unbalanced zoning laws that restrict some municipalities but not others.²⁰⁵ Charlottesville should adopt inclusionary zoning policies that target extremely low-income populations in resource-rich neighborhoods in Charlottesville. Policymakers should shape ordinances to incentivize affordable development in areas with access to public transportation, quality education, and job opportunities. Policies must require the City to amplify community voices through collaboration with nonprofit and community organizations in town.

3. Adopt Anti-Eviction Legislation

Charlottesville must support eviction reform, as Virginia has five of the top ten cities with the most evictions in the nation.²⁰⁶ Evictions, the obvious cause of homelessness, should be rare and non-recurring in Charlottesville. A statewide Campaign to Reduce Evictions (CaRE) has already begun the fight for humane eviction laws.²⁰⁷ Charlottesville should dedicate resources to join in this coordinated effort to reform eviction processes. Municipalities across the country have implemented protections to attempt to achieve a more humane approach: prohibitions on evictions without just cause; a tenant right to withhold rent where there are unsafe property conditions; sealed eviction court records; mandatory settlement conferences in eviction cases; and extended required periods between notice and filing.²⁰⁸

Charlottesville should also add tenant organizing protections to its portfolio for legislative change, such as stronger anti-retaliation protections and the right to advertise or communicate about tenant organizing. Currently, tenants renting from private landlords do not have affirmative protections for organizing, which can often be the only effective weapon against landlord abuses in the private context.

<p>"We're living check to check." - Survey respondent</p>

4. Advocate for Strong Rent Control and/or Stabilization

Across the City and beyond, no matter what income level, we are asked most often why Charlottesville does not have rent control to protect its residents. Rent control, when done right, is one of the most effective regulatory mechanisms to prevent homelessness and stabilize the market to ensure lasting affordable rental housing.²⁰⁹ In 2010, Virginia repealed the statute prohibiting rent control, and re-opened the door for positive legislation to restrict rental increases.²¹⁰ Rent control and rent stabilization have ensured that units in extremely expensive markets like New York City have remained affordable over the years—in New York City, more than one million units are protected by these laws.²¹¹ Furthermore, rent control and stabilization are supported at the state level in New York.²¹² Enacting rent control might be possible in Charlottesville someday, though it will take an immense amount of advocacy.

“We need rent control. Jobs don’t pay enough for people to pay \$900 in rent.”

- *Survey respondent*

The overwhelming desire for rent control and similar protections in Charlottesville demonstrates the need for the City to be better engaged at the state level for fundamental change. The residents of Charlottesville need to know that their city is one that will fight for them and take sometimes unpopular political stances in Richmond for their residents of all races and income levels.

Section 5. Conclusion

In 1959, Harland Bartholomew and the City of Charlottesville achieved their main goals: maintain stable property values, promote a “homogeneous [neighborhood] population,” and “safeguard[d] the character of the neighborhood.”²¹³ We still hear this language today in Planning Commission meetings, forums and city council meetings. Do we understand the stance we are choosing when we choose to continue to concentrate density in historically Black neighborhoods and restrict development in neighborhoods with expulsive zoning legacies?

The solutions above offer hope for the Charlottesville area to become more equitable, stem the tide of displacement of low-income residents and minority racial groups, and move toward righting the wrongs of the past. Many residents, including some developers, are not only willing to do the right thing but are searching for ways to advance the movement for reparations and true inclusion. Through responsive and committed governance and true corporate social responsibility, we can become an example for other communities throughout the nation.

In the long shadow of slavery, Jim Crow, racial violence,²¹⁴ urban renewal, redlining and equity theft, each neighborhood, each family, each member of the community should be asking, what will we do to contribute to positive progress? What role will we play to right the wrongs of the past so our community can be made whole? How will our local governments support us in these endeavors? We all must ensure that we take these recommendations to heart and make meaningful progress to stem the tide of displacement, so that Charlottesville may become a truly just community with opportunity for all.

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Defining Key Terms and Key Players

Defining Gentrification and Displacement

For an excellent short explanation of the changing definitions of gentrification and displacement, see “In the Face of Gentrification: Case Studies of Local Efforts to Mitigate Displacement.” Diane Levy, Jennifer Comey, and Sandra Padilla. The Urban Institute (2006), p. 3²¹⁵:

Defining Gentrification

There is no agreed-upon definition of gentrification, although the aspect of higher-income households moving into lower-income neighborhoods is included in most versions. Urban geographer Ruth Glass first coined the term *gentrification* to describe London neighborhoods in the 1960s. She defined it as the process of middle- and upper-class households moving into distressed working-class neighborhoods, upgrading the derelict housing stock, and eventually displacing the working-class residents, thereby changing the social character of the neighborhood (Glass 1964).

Contemporary definitions reflect Glass's description of class change. For instance, some observers describe gentrification as the rehabilitation of working-class or derelict housing into housing for middle-class residents, or as the process of higher-income households moving into neighborhoods that have suffered from systematic outmigration, disinvestment, or neglect (Atkinson 2002, Wyly and Hammel 1999). Gentrification also has been described as the middle- and upper-class remake of the central city—not just a residential phenomenon, but one that affects commercial and retail areas as well (Smith 1996). Other observers include a racial component in their definition of gentrification—new, higher-income residents are white and the incumbent, lower-income residents are racial or ethnic minorities. This change can lead to tensions along racial or ethnic lines in the gentrified neighborhood (Kennedy and Leonard 2001).

Not all definitions of gentrification include the displacement of the incumbent, lower-income residents. Some observers argue that displacement is not a necessary outcome of gentrification if original residents cannot afford to move elsewhere or are attached to the neighborhood, or if higher-income households are able to occupy vacant properties or move into newly constructed developments (Vigdor 2002).

Freeman and Braconi (2002) define different types of displacement that can occur due to gentrification. “Direct displacement” occurs when a demographic or ethnic group succeeds another due specifically to a process or program. Direct displacement was typical in the federal urban renewal programs during the 1950s and 1960s. “Secondary displacement” is the type of displacement most often of concern today: low-income households relocate due to new development or gentrification in their neighborhood once they can no longer afford to remain due to higher rents, appreciated taxes, tenant harassment, or the withholding of services. Others refer to secondary displacement as “involuntary displacement” because low-income households prefer to stay but cannot afford to (Kennedy and Leonard 2001). Marcuse (1986) describes a third type of displacement, “exclusionary displacement,” where changes in a gentrified neighborhood prevent future low-income households from locating there.

Defining Affordability

The term “affordability” is hotly contested, and laden with contingencies. Numerous factors play into calculating whether a home is affordable. Truly affordable housing would take into the costs of associated housing costs such as transportation, utilities, and even food or education. Further, deciding how to define “income,” and how to determine what percentage of one’s income should be spent on these costs, is a moving target.

Lawmakers and policy specialists frequently use the federal Housing and Urban Development (HUD) guidelines for determining affordability, namely, that a household should not pay more than 30% of their disposable income towards housing expenses.²¹⁶

As a guidepost for establishing or evaluating “affordable” rental amounts, based on federal law, many programs and municipalities use area median income (AMI), and work backwards from there. They assume that a household at 100% of the AMI Area median income in Charlottesville in 2019 for a family of four is \$89,600.²¹⁷

For purposes of this report, we refer most often to this standard.

FY 2019 Income Limit Area	Median Family Income	FY 2019 Income Limit Category	Persons in Family							
	Explanation		1	2	3	4	5	6	7	8
Charlottesville, VA HUD Metro FMR Area	\$89,400	Very Low (50%) Income Limits (\$) Explanation	31,300	35,800	40,250	44,700	48,300	51,900	55,450	59,050
		Extremely Low Income Limits (\$)*) Explanation	18,800	21,450	24,150	26,800	30,170	34,590	39,010	43,430
		Low (80%) Income Limits (\$) Explanation	50,050	57,200	64,350	71,500	77,250	82,950	88,700	94,400

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Using these standards, and given the demographics of the City of Charlottesville, our coalition’s primary focus is centered on those households who would be considered “extremely low-income” (ELI) by HUD standards. ELI is 30% of AMI and below. For Charlottesville MSA in 2018, 30% AMI is \$25,600 for a family of four.

Key Players

There are certain community organizations that must be included at the table in affordable housing decisions. Below are some key players in the Charlottesville-Albemarle affordable housing ecosystem.

- Charlottesville Redevelopment Housing Authority (CRHA), which manages public housing and serves many of the low-wealth families in Charlottesville who need subsidized housing. PHAR serves as the duly recognized resident advisory board to the CRHA.
- Piedmont Housing Alliance (PHA) provides homeownership opportunities and financial education, develops housing, and operates housing complexes, including Friendship Court and Timberlake Place.
- Habitat for Humanity also provides homeownership opportunities and financial education, as well as managing the Southwood Mobile Home Park, which is adjacent to the City.
- The Albemarle Housing Improvement Program (AHIP) provides critical home repair to ensure that low-income families can preserve their investment in their homes, as well as make their homes safer for them to raise children and age in place.
- The Thomas Jefferson Area Coalition for the Homeless (TJACH) is the HUD-designated Continuum of Care provider, which coordinates services and housing for people experiencing homelessness across the region. It is comprised of organizations providing homeless services like The Salvation Army, The Haven, PACEM, and Region Ten, among others.
- The Public Housing Association of Residents (PHAR), a member of the authoring coalition, is the duly recognized tenants' council, which represents all public housing residents in the City of Charlottesville.

Charlottesville City Budget 2015-2019

By Juliet Buesing

In the last two years, Charlottesville has begun investing in affordable housing in a meaningful and community-changing way. We should commend and encourage recent City leaders for their courage in standing up for housing justice and taking steps to address an affordability crisis that is rocking cities across America. Yet solving this crisis will take time; these investments are the beginning of a long-term process. We must provide our leaders concrete ways to stabilize the funding sources for this project over the next decade. We also must ensure support for the implementation of a diversity of solutions that can address the variety of forces attacking our community's stability, including wage stagnation, tax base changes, housing scarcity, and unprecedented urbanization.

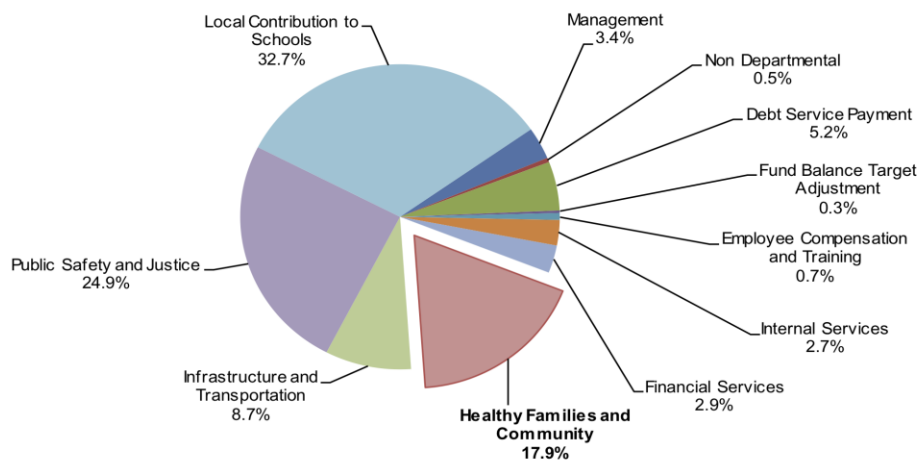
Below, we analyze Charlottesville's investments in affordable housing, within the current City budget structure. This analysis covers the fiscal years 2015 to 2019, and does not include the 2020 proposed budget, which included an investment in housing of historic proportions for the City.

We can split Charlottesville's City budget into two entirely separate pools of money: the annual operating budget, and the Capital Improvement Program (CIP) (functionally a long-term budget). Over the last five years, we have seen Charlottesville's investments in affordable housing grow in both areas after much advocacy by the community.

i. City Operating Budget (Annual)

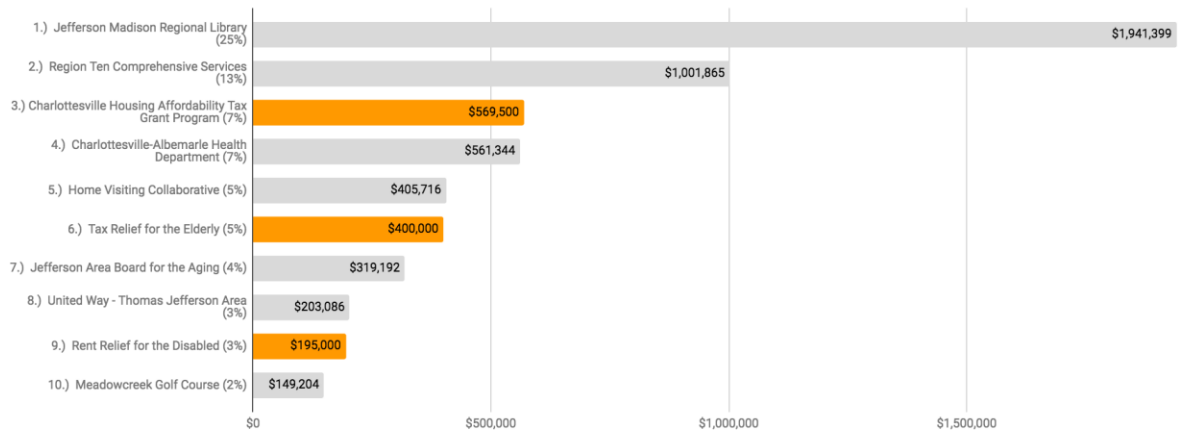
After removing the salaries and benefits of City employees from the operating budget, housing programs rank well amongst similar types of programs in terms of percentage of the budget. For example, here are their rankings within the City's "Healthy Families and Communities" Area Budget, which is about 18% of the larger operating budget pie:

Healthy Families and Community
% of General Fund Operating Budget



From City of Charlottesville's 2019 Budget Document:

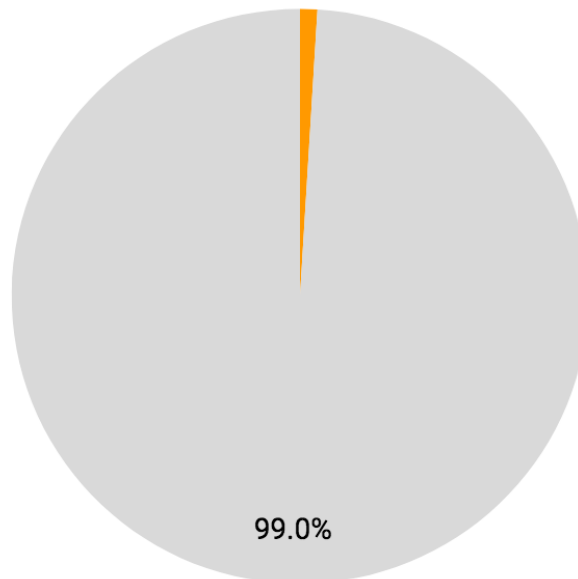
Top 10 Spenders in Healthy Families & Communities Budget (Excluding Salaries & Benefits)



Here is an image of the current city budget without controlling for City employees' wages and benefits:

General Operating Budget, FY19 (\$180 Million)

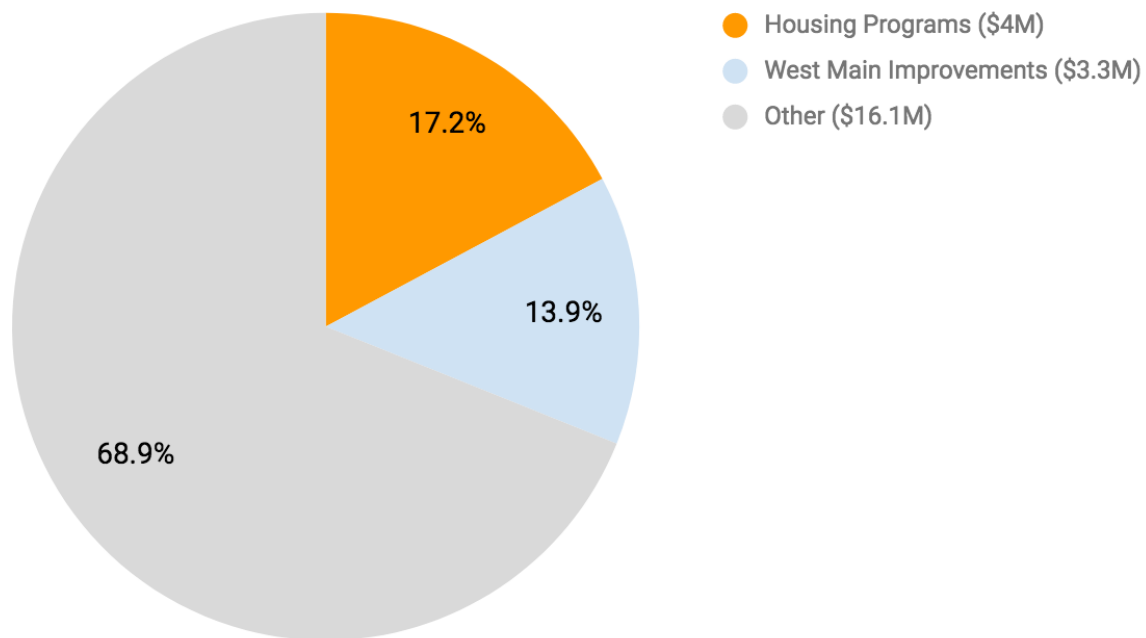
● Housing Programs (0.97%, \$1.7M) ● Other (\$178M)



ii. Capital Improvement Fund (CIP)

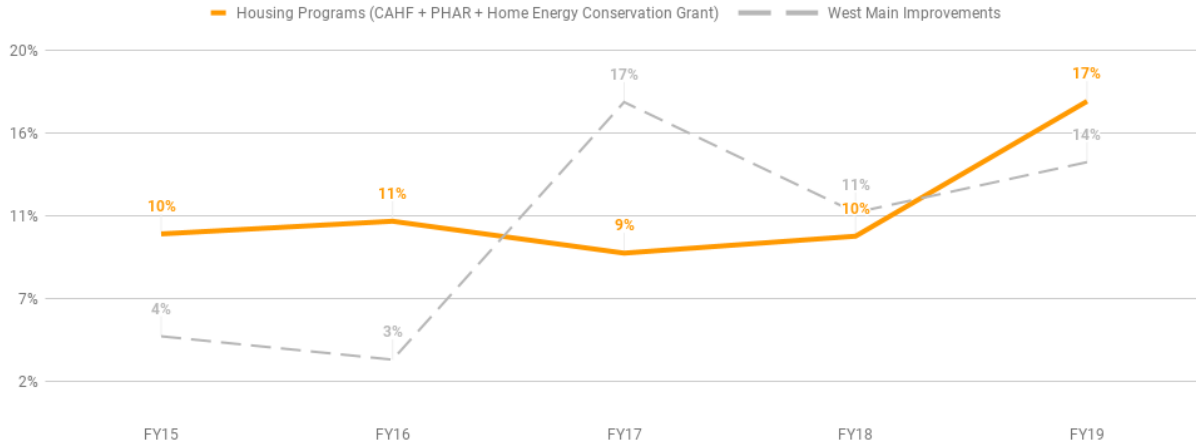
Most of Charlottesville's housing assistance is funded through the CIP.³⁷ Within the CIP the Charlottesville Affordable Housing Fund (CAHF) serves as the primary source of money for housing programs, from housing vouchers to various housing developments and even research studies. In addition, Charlottesville has long maintained a home energy grant to provide power help for the needy, funded through the CIP. Additionally, in the last two years, Charlottesville has begun to set aside money in the CIP for a large-scale public housing renovation project. These affordable housing programs account for an increasingly substantial part of Charlottesville's long-term spending. In fact, this year CAHF was the number-one ranked line item in the CIP, slightly edging out the ongoing West Main renovations project.

CIP Budget, FY19 (\$23.4 Million)



These numbers are based on the budget from 2019. The FY2020 budget has increased housing expenditure to closer to \$11M after spirited advocacy, which would likely reflect a far more positive image.

Percentage of CIP Devoted to Housing by Year, Compared to West Main Development



While 17% of FY 2019's Capital Improvement fund has been allotted to affordable housing programs and renovation, the question remains: where do we go from here?

The Housing Advisory Committee, an advisory body to the City of Charlottesville, made a rough calculation of over \$150 million needed to meet housing needs in the City. How can Charlottesville sustain this investment over the long haul? Are we taking advantage of a variety of policy options to ensure strategically broad solutions to these widespread problems of income inequality and racial disparities in displacement and poor housing conditions? Are we advocating with the state of Virginia for the legal changes we need, to provide for our lowest income residents? The 2020 and 2021 Budget discussions may begin to answer many of these questions in the affirmative, but we need a long-term, funded solution to the housing crisis.

Independent Housing Needs Assessment Methodology

By Sam Powers, Vilas Annavarapu and Arya Royal

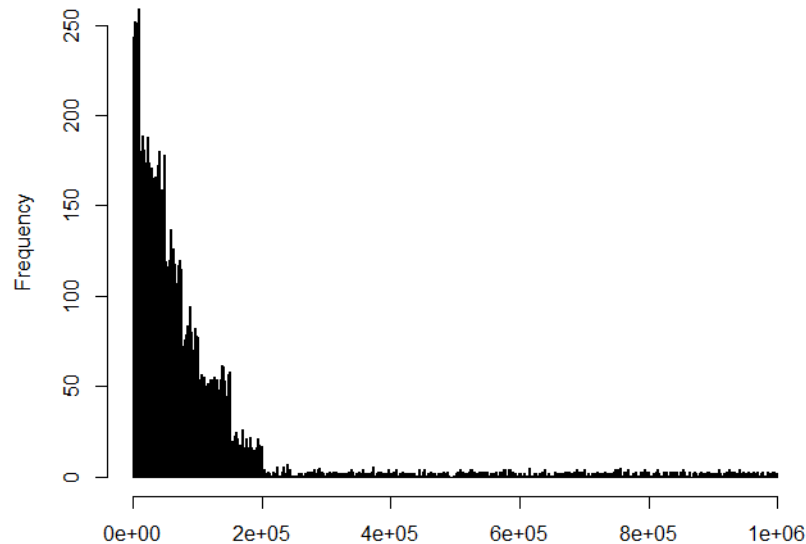
In an independent analysis conducted in 2017, a group of UVA student researchers volunteering for Legal Aid Justice Center (LAJC) found similar housing gap numbers to those found by Anita Morrison. Both research studies showed extremely large numbers of households who are paying over 30% of their income for housing. Based on the data reported in the 2015 American Community Survey by the U.S. Census Bureau (ACS), we constructed a representative sample of the Charlottesville Income Distribution by running a randomized simulation using the publicized income-range proportions. From this sample, we calculated the number of households falling beneath each critical AMI range. We repeated this procedure 10,000 times to refine our estimates. We then verified these estimates by curve-fitting the distribution reported in the ACS survey. We utilized both an underfitted and an overfitted linear model and approximated the number of households below the critical AMI values based on both fittings. From there we determined the noncumulative numbers at each category AMI and multiplied this by the percent need for Charlottesville as reported by the Department of Labor.

The “Strategic Investment Area” (SIA), in comparison relative to other regions in Charlottesville, has a relatively higher concentration of affordable housing units. Any new development in the SIA directly impacts the quality of life for those living in subsidized housing units and puts “naturally occurring” affordable housing at risk. The priority should be on investment in and preservation of existing units and construction of more housing units to decrease the housing gap in the area. For this reason, in the SIA, a policy that requires that developers continue to build specifically designated affordable housing units is critical. The next aspect of this report will demonstrate the housing gap in the City of Charlottesville and the SIA.

Data interpretation methodologies:

1. To account for the lack of individualized data present at the census level, we utilized a Monte-Carlo simulation model to approximate the need for housing within Charlottesville.
2. First, we generated a data set within each income bracket (see diagram) weighted by how many households are in each income bracket as reported by the census.

Histogram of Synthesized Income Data:



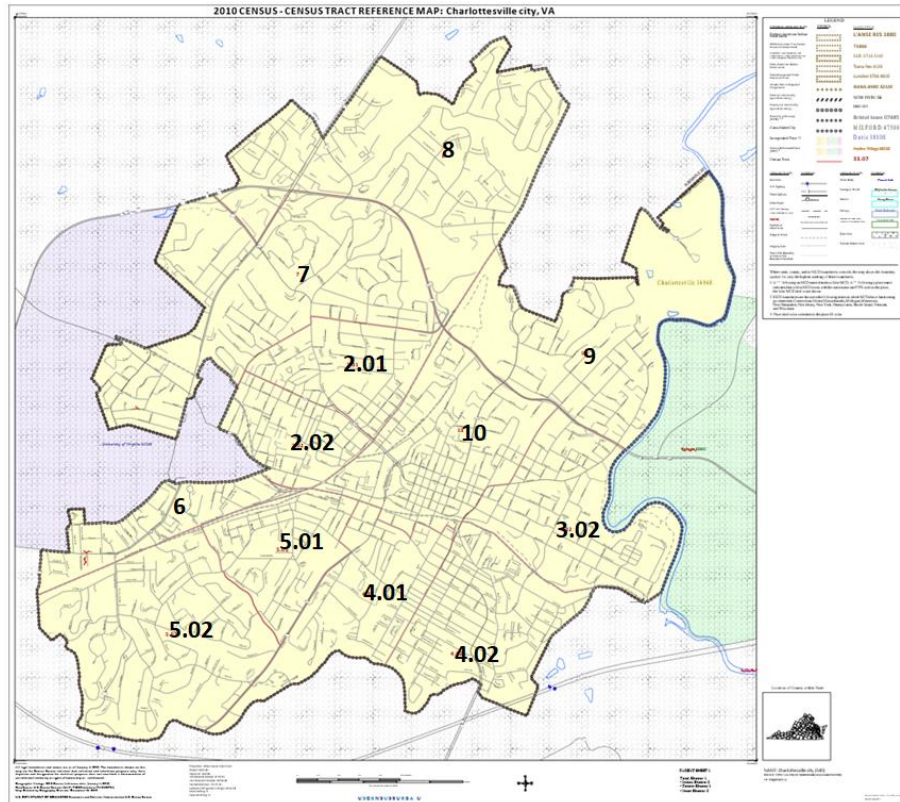
3. To account for the random distribution of income assumption, we created a simulation that produces 10,000 data sets of household incomes and took the mean income value of those.
4. We followed this procedure because 80% of the Charlottesville AMI falls between two income brackets. (If 80% AMI had falling in a single income bracket, this procedure would have been obviated because it would have been easy to take a percentage and calculate the number of households that make less than that income, since the census provides that data.)
5. It is important to note that the AMI for households (as reported by the census) we used in our analysis is \$49,775. Thirty percent (30%) of the AMI is \$14,932. Any household making more than this value, naturally, does not qualify as making less than 30% because there was not enough information to determine household income based on the number of individuals living in a household. The Virginia Housing Development Authority classifies a 6-person household making less than \$32,570 to be making less than 30% of AMI. Our analysis considers a household making \$32,570 as more than 30% AMI because we do not take into consideration the number of people living in a household even though were we able to do so, they could be classified as making less than 30% of AMI.
6. This is important because it means that our numbers are incredibly **conservative** estimates. A more accurate analysis of the housing gap would take household size into account, and thus might include many more households as having unmet housing needs.
7. We then repeated this procedure for the SIA, by using census tract data to determine income levels in this region.

Our results demonstrate the magnitude of the housing gap in both Charlottesville and the SIA.

Current Demographic Patterns in Charlottesville Based on Census Data

Data analyzed by Ridge Schuyler

2010 Charlottesville Census Tract Reference Map (with tract numbers enlarged for readability):



Demographic Data by Census Tract:

	2.01	2.02	3.02	4.01	4.02	5.01	5.02	6	7	8	9
Black households	618	1,196	378	1,517	759	2,091	852	293	93	350	144
% of Black households	21%	24%	14%	39%	17%	56%	17%	8%	2%	8%	7%

Special thanks to Ridge Schuyler for this analysis of census data.

Other Housing Solutions

Support Community-Based Solutions

PHAR is exploring the creation of a Community Development Corporation (CDC), a 501(c)(3) non-profit organization created by and for the community. It will be resident led with the potential to serve the Charlottesville community far beyond the development of housing. CDCs can provide job training, business development, and an array of services to the low-income community in a way that is true to the needs of the community because it is run by residents.

These endeavors require not just financial resources, but also training, mentoring and moral support to bring to fruition. The resources of city government can support or hinder these efforts, and a commitment to racial and economic equity requires assertive support.

There has been a great deal of conversation in the Charlottesville community about creating CDCs and land trusts, and we believe a full understanding what makes a CDC uniquely positioned to meet community needs should help guide that conversation. It is essential that these entities be focused on equity, operate independently, be resident-led, and guided by the principles of community-driven development.

Improve Neighborhood Development Services

A 2018 report on NDS²¹⁹ showed that developers—affordable and for profit—struggled with their interactions with NDS. Below is a summary of the efficiency study findings.

NDS Efficiency Report Major Takeaways:

- 34% survey response rate.
- Most interactions do not proceed past interacting with the front desk staff.
- 55% of survey respondents indicated that City Council has a positive impact on their projects, while 45% indicated Council had a negative or very negative impact.
- Addition of staff and restructuring would improve reporting relationships and workload.
- Investing in technology would lead to better overall performance.

Specifically relating to Affordable Housing, CDBG, and HOME:

- 15 survey respondents.
- 79% reported that zoning issues were handled effectively.
- 57% reported the comments provided by staff were not helpful.
- The majority of respondents (79%) feel the City provides adequate information regarding upcoming events and meetings.
- Half of the respondents indicated the City does not balance viewpoints well. Their open-ended comment suggestions are as follows:
 - Improvement in communication
 - Decreasing adversarial interactions between applicants and neighborhoods

- Avoiding favoritism
- Advocating for more development projects
- More focus on collaboration between stakeholders and city staff.

To generate affordable housing, the City should not constitute a barrier to affordable housing development. CLIHC recommends that the City seriously consider the above improvements in addition to the primary improvements recommended in the report beginning with a shift in mission statement and purpose that includes equity.

Tackling Discrimination

Although the Fair Housing Act protects against certain protected classes, it does not directly protect against cloaked discrimination, such as using credit, criminal backgrounds, and sources of income as reasons for discrimination.²²⁰

We urge City Council to support legislative proposals in the Virginia General Assembly that would recognize source of income as a protected class under Virginia's Fair Housing Act. Landlords are currently allowed to discriminate against applicants who have government rent subsidies. Voucher holders in Charlottesville are often unable to find a landlord who will accept their vouchers and are forced out into surrounding counties and as far away as Richmond.²²¹ For Section 8 and City voucher holders, for example, those vouchers become meaningless when they are not fully funded or accepted by landlords. However, studies show that source of income legislation that protects vouchers not only substantially improved the utilization of vouchers, but also contributed to a modest increase in locational outcomes and geographic opportunities for voucher holders.²²² Ten states and the District of Columbia, along with over 50 localities, have already adopted legal protections for voucher holders.²²³

We also urge the City to support legislation against credit history discrimination and criminal history discrimination.²²⁴ Other cities have piloted programs for ex-offender housing through public housing, and Charlottesville should follow suit.²²⁵ Twenty-one states and the District of Columbia also currently prohibit discrimination on the basis of sexual orientation and gender identity.²²⁶ Although this type of discrimination is unlawful in all federally subsidized housing, renters in the private market in Virginia have no explicit protections.²²⁷ Discrimination on the basis of sexual orientation and gender identity, should be clearly prohibited in Virginia.²²⁸

Land Bank

Under Virginia Law, the City has the power to create a land bank, a quasi-governmental entity "for the purpose of assisting the locality to address vacant, abandoned, and tax delinquent properties."²²⁹ The City moved forward on creating a land bank in 2018, but faced significant criticism from the community for numerous reasons, such as a lack of community involvement, a duplication of CRHA's powers to develop housing, the land bank board composition being mostly city staff, and a lack of clear prioritization of affordable housing.

For the land bank to successfully support affordable housing, no land bank should be enacted unless the following conditions are met:

- Low-Income Resident Leadership: The land bank board should be comprised of majority directly affected community members. In addition, housing advocates, housing providers, subject matter experts, and city staff should be part of the decision-making bodies to ensure they can make meaningful and effective decisions that reflect the values and needs of the community.
- Partners: It should assemble and clear sites explicitly for transfer to CRHA, community land trusts, and/or nonprofit affordable housing providers. The land bank could align its land assembly efforts with nonprofit and CRHA development plans in order to avoid long holding periods. Any land bank ordinance should not move forward unless CRHA or other proven housing non-profits are at the center of the effort
- Inventory: The land bank could inventory all City-held, vacant, and grayfield (abandoned formerly commercial properties) or brownfield sites (sites with potential environmental concerns), in order to prioritize acquisitions and transfers. The land bank could also be a tool for assembling remediated industrial and commercial sites strategically located along transit corridors, as well as near existing CRHA and nonprofit-held properties.
- Funding: The City should fund the land bank with a *separate* “strike fund” to acquire available land for the sole purpose of building deeply affordable housing. Land banks work best when they receive predictable, dedicated funding from the municipality, instead of being self-financing through property transactions.²³⁰
- Expansion: The land bank should take a regional approach. CLIHC recommends that the City take full advantage of Virginia’s enabling legislation that states that “other localities may join the authority or corporation as provided in the ordinance” and include Albemarle County in the land bank, since the county holds a larger share of land than the City.²³¹
- Flexibility: According to expert opinion, the land bank should be a flexible and “nimble” model that can work quickly to seize land and funding opportunities as they arise.²³²

Community Land Trusts and Limited Equity Cooperatives

A community land trust (CLT) is a powerful tool for creating permanently affordable housing and homeownership opportunities for low and moderate-income families, especially in cities where land in proximity to economic opportunity is scarce and expensive.²³³ Although many variations on the model exist, CLTs are most often private, non-profit organizations that own property where the land and the structure are separated, reducing the cost of the home for a low-income buyer. The CLT retains ownership of the property through a ground lease, while the homeowner owns the structure. In addition to single family homes, CLTs may provide rental housing, manage cooperative buildings, hold parks or vacant land, or even own commercial space.²³⁴ Upon resale, CLT homeowners receive a percentage of the appreciated value of the home, ensuring they can build wealth but the home still stays affordable for future homeowners. Because government subsidies connect to the property rather than the homeowner, the subsidy can be “recycled” for the next homebuyer, making the model economically efficient. Most

importantly, a CLT removes land from the speculative market and ensures a permanent supply of affordable housing.

This community-driven approach to land use, housing, and organizing has been highly successful in Boston through the Dudley Street Neighborhood Initiative.²³⁵ To make this work in Charlottesville, it will require considerable resources including community organizing, significant funding, possible land donations, and technical expertise. Ideally, a Charlottesville CLT functioning at scale could provide a “ladder” of housing opportunities where families could rent affordably, purchase a CLT home, and eventually purchase a market rate home. A land bank, as described above, could be a vital source of land acquisition for a CLT.

Charlottesville is currently home to the Thomas Jefferson Community Land Trust (TJCLT), which owns eight CLT homes. However, the organization has faced obstacles growing to the scale needed to serve the community due to funding restrictions and difficulties finding land, though to date they are developing four more properties in the city.²³⁶ Although the TJCLT serves families making up to 80% AMI, the need for homeownership opportunities at lower income levels is also dire.

The CLT model should be expanded to ensure those at 30% AMI and below also have the opportunity to benefit. A community-driven or neighborhood-based CLT, like DSNI, could potentially serve families at the lower ends of the income spectrum given the proper resources and funding. One way to do this is through **Limited Equity Cooperatives**, another model of “shared equity” housing that could be used in Charlottesville to enable homeownership, wealth building for low-income residents, as well as preserve land and homes from the speculative market. In this model, “real estate is owned collectively by a corporation of low- and moderate-income residents rather than the individual residents; individual residents own a share in the corporation.”²³⁷ Limited equity cooperatives are usually used in apartment buildings and multifamily dwellings, and they would be a useful tool as Charlottesville builds higher density housing.

Corporate Citizenship and Taxation

Charlottesville touts itself as one of the most active and powerful philanthropic communities in the country. It should not be a far reach to ask that the corporate members of the Charlottesville Community to invest in the low-income, low-wealth community efforts to build and preserve affordable housing. Partnerships such as the redevelopment project between Redlight Management, CRHA and PHAR exemplify how powerfully true philanthropy affects the effort for more affordable housing. Investors, developers, and other corporate members of the metro area have an historic opportunity to partner with residents to build an equitable community. In addition to partnering with CRHA or community groups to build and rehabilitate affordable housing, the private sector can voluntarily:

- Donate land to CRHA or non-profit affordable housing providers;

- Pledge to build affordable housing units on site with *or without* the requirement to do so under current SUPs;
- Donate funds to community and nonprofit groups who are working to build affordable housing;
- Commit to keeping naturally occurring affordable housing affordable for 30 years; and finally,
- Join the fight for affordable housing policies in the state legislature.

Despite our concerns, we know that market rate housing and real estate developers will also play an important role in building more housing to ensure Charlottesville can rapidly gain the volume of units needed to meet the current need. However, the current demand for luxury apartments means that market-based outcomes will not fix the affordable housing crisis. History has shown that trickle-down wealth creation does not work, whether on a national scale or in Charlottesville. Charlottesville must create more tools and regulatory policies that will both incentivize and require developers to commit funds to affordable housing.

Transportation

Affordable housing isn't just about a home, but about access to resources and amenities, such as public transportation, which in turn open up access to employment, food, shopping, healthcare, and childcare. Transportation is the second largest expenditure after housing for most households.²³⁸ The City's own study found that 10% of Charlottesville residents have no access to a vehicle and must rely on public transit for essential services or employment.²³⁹

Transit-oriented development could be as a guiding principle for its affordable housing locational policy in the Charlottesville area. Because land closer to employment centers, transit, and amenities are often more expensive, affordable housing sites tend to be located on the outskirts of a city, forcing residents to have cars or walk long distances to public transit, and bear the burden of fluctuating gas prices and long commutes. We must prioritize building near existing transit hubs and invest in transit infrastructure in low-income areas to ensure that social services, employment, and City resources are truly accessible. We can explicitly do more via the Comprehensive Plan, which could formalize strategic transportation "nodes" where development is encouraged and a multitude of transportation options are available.²⁴⁰

The City and the County should explore ways to properly fund local and regional transit in partnership, and explore policies that reduce reliance on cars, reduce congestion, and prioritize the needs of the most vulnerable communities. Parking requirements in high density areas could be decreased in exchange for a fee which is used to expand Charlottesville Area Transit. The city should also provide a formal commitment to serving all public and subsidized housing developments now and when redevelopment occurs.

Community Benefits Agreements

Charlottesville should consider requiring Community Benefits Agreements with for-profit developers, which “are contractual agreements between represented community groups and developers that detail specific benefits a developer will provide to the community in exchange for public support of the proposed project.”²⁴¹ Developers may agree to provide affordable housing, public parks, agree to hire community members or local businesses, or solicit community feedback to inform their project. Unfortunately, CBAs that are poorly crafted have fallen through in other cities such as Kingsbridge, NY, Somerville, MA, Somerset, ME.²⁴² To ensure that developers follow through on their promises, particularly with regard to affordable housing, CBAs should be highly specific and legally binding, with measurable outcomes and specific deadlines.

Political will from local elected officials is absolutely critical for ensuring that CBAs succeed. According to Shelterforce, “Public-sector involvement can also increase the likelihood that community benefits actually materialize. Government officials tied closely to both community groups and development projects are in a unique position to ensure the enforcement of CBAs.”²⁴³

Another mechanism for ensuring responsible development would be to guarantee a right of first refusal for a land trust or CRHA before the affordability period of a subsidized property expires, or requiring a longer affordability period.²⁴⁴

ENDNOTES

¹ A pseudonym.

² Office of Policy Development and Research. "Comprehensive Housing Market Analysis: Charlottesville, Virginia." *United States Department of Housing and Urban Development*, 2015, p. 7, www.huduser.gov/publications/pdf/CharlottesvilleVA_comp_15.pdf. Accessed 19 June 2019.

³ Office of Policy Development and Research, "Comprehensive Housing Market Analysis: Charlottesville, Virginia," p. 7.

⁴ Schuyler, Ridge. "Lifting Ourselves Up: Family Self-Sufficiency in the Charlottesville Region—Albemarle, Buckingham, Fluvanna, Greene, Louisa, Nelson counties & the city of Charlottesville, Virginia - Orange Dot Report 3.0," *Charlottesville: Piedmont Virginia Community College & The Charlottesville Regional Chamber of Commerce*, 2019, p. 56, www.pvcc.edu/files/media/orange_dot_project_3.0.2018.pdf. Accessed 19 June 2019.

⁵ Schuyler, Ridge. "Orange Dot Report 3.0," p. 56.

⁶ Sommeiller, Estelle, and Mark Price. "The New Gilded Age: Income inequality in the U.S. by state, metropolitan area, and county," *Economic Policy Institute*, 2018, p. 21, www.epi.org/files/pdf/147963.pdf. Accessed 19 June 2019.

⁷ Piedmont Virginia Community College. "History," *Piedmont Virginia Community College*, 2018, www.pvcc.edu/community-self-sufficiency-programs/cwi-history. Accessed 19 June 2019.

⁸ Schuyler, Ridge. "Orange Dot Report 3.0," p. 30.

⁹ University of California at Davis, Center for Poverty Research. "What are the annual earnings for a full-time minimum wage worker?" *University of California at Davis*, 12 Jan. 2018, poverty.ucdavis.edu/faq/what-are-annual-earnings-full-time-minimum-wage-worker. Accessed 19 June 2019.

¹⁰ The average family size in Charlottesville is 2.97 persons, which is why CWI focuses on the cost of a two-bedroom apartment. CWI counts by families to avoid the data being skewed by the large number of college students who live here.

¹¹ National Low Income Housing Coalition (NLIHC). "Out of Reach: The High Cost of Housing," 2018, nlihc.org/sites/default/files/oor/OOR_2018.pdf. Accessed 19 June 2019.

¹² NLIHC, "Out of Reach: The High Cost of Housing," at 252. This is likely because their data is slightly more recent and because they control for single wage earners.

¹³ Form-Based Codes Institute (FBCI) and the Partners for Economic Solutions (PES). "Housing Needs Assessment: Socioeconomic and Housing Market Analysis," *City of Charlottesville*, 2018, p. 12, www.charlottesville.org/home/showdocument?id=62034. Accessed 19 June 2019.

¹⁴ Schuyler, Ridge. "Orange Dot Report 3.0," p. 29.

¹⁵ Data from Ridge Schuyler, PVCC, on file with Legal Aid Justice Center.

¹⁶ Schuyler, Ridge. "Orange Report 3.0," p. 56.

¹⁷ FBCI and PES. "Housing Needs Assessment," p. 40.

¹⁸ The Analysis further noted that 46% of the total homeless population is Black. See Thomas Jefferson Planning District Commission. “Analysis of Impediments to Fair Housing Choice,” *City of Charlottesville*, Jan. 17, 2019. p. 52, www.charlottesville.org/home/showdocument?id=64099. Accessed 19 June 2019.

¹⁹ Although Charlottesville commissioned an analysis of housing needs its analysis had major issues, including an over-emphasis on upper income households and neglected to evaluate the need with regard to extremely low-income households and households of color. See Robert Charles Lesser & Co. Real Estate Advisors. “Comprehensive Housing Analysis and Policy Recommendations: Affordable and Workforce Housing,” *City of Charlottesville*, Jan. 15, 2016, s3.amazonaws.com/cville/cm%2Fmutlimedia%2F20160115-RCLCO-Housing-Report.pdf. Accessed 19 June 2019.

²⁰ FBCI and PES. “Housing Needs Assessment.”

²¹ FBCI and PES. “Housing Needs Assessment,” p. iii.

²² FBCI and PES. “Housing Needs Assessment,” p. 45.

²³ FBCI and PES. “Housing Needs Assessment,” p. 48.

²⁴ FBCI and PES. “Housing Needs Assessment,” p. 48.

²⁵ A detailed summary of methodology can be found in the Appendix.

²⁶ Further, the students found that the numbers shown in the PES report are conservative estimates of the housing gap in Charlottesville. The report by PES used a more recent average Charlottesville income, which accounts for the small difference in estimates of need. The PES report has broken down the affordability numbers by renting vs. owning households and by average mean income. This has made it possible to assess strategies to help renters specifically, however, the report overemphasizes the responsibility of low-income-housing tax-credits (LIHTC) in creating new rental houses. This method is problematic because it allows developers to revert to market rate after 15-30 years and it is not designed to fund housing for extremely low-income people; this strategy will create a major shortfall in housing down the line.

²⁷ See further discussion on the Dillon Rule in Sections [4\(A\)\(1\)](#) and [\(F\)\(1\)](#) of this Report.

²⁸ See Charlottesville City Code, Sec. 34-12 (included in full in Appendix.)

²⁹ Charlottesville Available Housing Fund. “Notice of Funding Availability.” *City of Charlottesville*, www.charlottesville.org/departments-and-services/departments-h-z/neighborhood-development-services/housing-grants/charlottesville-affordable-housing-fund. Accessed 19 June 2019.

³⁰ “But since the CAHF’s creation in 2007, every developer required by the ordinance to contribute to affordable housing has paid into the fund instead of providing affordable units.” Yager, Jordy. “Unaffordable housing: Developers pay to not build affordable units.” *C-Ville*, Jan. 4, 2017, www.c-ville.com/unaffordable-housing-developers-pay-not-build-affordable-units/. Accessed 19 June 2019.

³¹ FBCI and PES, *Housing Needs Assessment*, p. 45.

³² To learn more about the Low-Income Housing Tax Credit Program, see National Low Income Housing Coalition. “The Low Income Housing Tax Credit Program (LIHTC),” October 16, 2018, nlihc.org/sites/default/files/FactSheet_LIHTCProgram.pdf. Accessed 19 June 2019. Given the high rents prevailing in the city, many of the vouchers administered by CRHA are actually used to rent housing in surrounding counties and as far away as Richmond. Many of those used in the city are used in LIHTC buildings to lease units designated for households at up to 60% of AMI. For more information about how

LIHTC could better assist the most low-income people, see National Low Income Housing Coalition. “Improvements to Deeply Target the Housing Credit, October 12, 2018, nlihc.org/sites/default/files/Cantwell-Hatch_Tax-Reform.pdf. Accessed 20 June 2019.

³³ LIHTC properties only target moderate income households making 50%-60% AMI but are often combined with other HUD subsidies to house lower income families and are not allowed to discriminate against Housing Choice Voucher holders. (NHLP, “LIHTC Admissions”; NHLP, “Source of Income Discrimination”; Kingsley, “Trends”).

LIHTC properties built after 1989 are required to have a 30-year affordability period but the IRS lacks any mechanism to enforce the first 15 years of affordability (NHLP, “How the LIHTC program works”). States, through their Qualified Action Plans (QAP), can impose fines for failing to adhere to the longer affordability period and give preference to projects that commit to longer affordability periods (NHLP, “Advocating”). Virginia’s 2018 QAP gives bonus preference points for projects that remain affordable through the 30-year period and a greater number of points for projects that remain affordable after 30 years (VHDA, “The plan”). National Housing Law Project. “LIHTC Admissions, Rent, and Grievance Procedures,” Apr. 27, 2018, www.nhlp.org/resources/lihtc-admissions-rents-grievance-procedures/. Accessed 19 June 2019. National Housing Law Project. “Source of Income Discrimination.” Nov 17, 2017, www.nhlp.org/resources/source-of-income-discrimination-2/. Accessed 19 June 2019. Kingsley, G. Thomas. “Trends in Housing Problems and Federal Housing Assistance.” *The Urban Institute*, Oct. 2017, www.urban.org/sites/default/files/publication/94146/trends-in-housing-problems-and-federal-housing-assistance.pdf. Accessed 19 June 2019. National Housing Law Project. “How the LIHTC program works.” Sep. 7, 2017, www.nhlp.org/resources/how-the-lihtc-program-works/. Accessed 19 June 2019. National Housing Law Project. “Advocating for changes in your state through the QAP process.” Apr. 27, 2018, www.nhlp.org/resources/advocating-changes-state-qap-process/. Accessed 19 June 2019. Virginia Housing Development Authority. “The plan of the VHDA for the allocation of low-income housing tax credits.” *Novogradac*, 2018, www.novoco.com/sites/default/files/atoms/files/virginia_2018_final_qap_010117.pdf. Accessed 19 June 2019.

³⁴ FBCI and PES. “Housing Needs Assessment,” p. 44.

³⁵ Office of Policy Development and Research. “What Happens to LIHTC Properties After Affordability Requirements Expire?” *HUD User*, 17 Aug. 2012, www.huduser.gov/portal/pdredge/pdr_edge_research_081712.html. Accessed 19 June 2019. See also National Low Income Housing Coalition and the Public and Affordable Housing Research Corporation. “Balancing Priorities Report,” National Low Income Housing Coalition, Oct. 17, 2018, nlihc.org/resource/balancing-priorities-report. Accessed 19 June 2019.

³⁶ City of Charlottesville Commissioner of Revenue. “Rental Relief for the Elderly or Permanently and Totally Disabled.” *City of Charlottesville*, www.charlottesville.org/departments-and-services/departments-a-g/commissioner-of-revenue/rental-relief-for-the-elderly-or-permanently-and-totally-disabled. Accessed 24 Jan. 2020.

³⁷ There are elements of the annual operating budget that pertain to affordable housing, including various tax grants and rent relief programs, particularly for the elderly and disabled. These are small programs, and even when added all together, they have never broken even 1% of the City’s operating budget.

³⁸ Jonathan Knopf, from *HDAdvisors and the Virginia Housing Alliance*, document produced to PHAR, LAJC, and CLIHC based on U.S. census data, incorporated in its entirety in this report.

³⁹ See e.g., Savage, Charlie. “Wells Fargo Will Settle Mortgage Bias Charges.” *The New York Times*, July 12, 2012,

www.nytimes.com/2012/07/13/business/wells-fargo-to-settle-mortgage-discrimination-charges.html?mtrref=www.google.com&qwh=8895103FAAF23BDBD967D7A0DBD2984B&gwt=pay. Accessed 19 June 2019.

⁴⁰ FBCI and PES. "Housing Needs Assessment," p. iii.

⁴¹ See [Section 3\(E\)](#) of this Report for illustrative chart.

⁴² FBCI and PES. "Housing Needs Assessment," p. 4.

⁴³ Bates, Lisa K. "Gentrification and Displacement Study: Implementing an equitable inclusive development strategy in the context of gentrification." *The City of Portland*, May 18, 2013, <https://www.portlandoregon.gov/bps/article/454027>. Accessed 19 June 2019.

⁴⁴ The results of this survey serve to complement the City of Charlottesville's January 2016 report, "Comprehensive Housing Analysis and Policy Recommendations: Affordable and Workforce Housing." The primary takeaway from the City's report was that there is a substantial need for affordable housing options. However, the report failed to adequately represent the experiences of the most vulnerable segment of the Charlottesville community. The results of our survey help to fill that gap. Robert Charles Lesser & Co. Real Estate Advisors. "Comprehensive Housing Analysis and Policy Recommendations: Affordable and Workforce Housing," *City of Charlottesville*, Jan. 15, 2016, s3.amazonaws.com/cville/cm%2Fmutlimedia%2F20160115-RCLCO-Housing-Report.pdf. Accessed 19 June 2019.

⁴⁵ FBCI and PES. "Housing Needs Assessment," p. 15.

⁴⁶ Hanks, Angela, et al. "Systematic Inequality: How America's Structural Racism Helped Create the Black-White Wealth Gap," *Center for American Progress*, Feb. 21, 2018, www.americanprogress.org/issues/race/reports/2018/02/21/447051/systematic-inequality/. Accessed 19 June 2019.

⁴⁷ Some survey respondents commented on the negative connotations of the word "gentrification," that it implies that the people being displaced are less respectable than the people moving in. We stopped using that term, and now refer to the concept as "displacement," which is not exactly the same, but captures much of the problem in Charlottesville. However, the survey was already underway and included the term. For further information, see the [Appendix](#).

⁴⁸ Waters-Wicks, Karen C. "An ordinance to secure for white and colored people a 'Separate location of residence for each race': A history of *de jure* segregation in Charlottesville and Richmond, Virginia." *Magazine of Albemarle County History*, vol. 72, Jan. 2014, p. 125-126.

⁴⁹ *Buchanan v. Warley*, 245 U.S. 60 (1917). Simply because the Supreme Court found this practice unconstitutional, however, does not mean that cities across the nation ceased informal means of enforcement, or even blatant massive resistance to the ruling. In Atlanta, five years after *Buchanan* the city created a zoning map that divided the city into R-1 white only and R-2 "colored" districts. Even as this was struck down, it signaled the next step towards economic measures to segregate cities. Rothstein, Richard. *The Color of Law: A Forgotten History of How Our Government Segregated America*. Liveright Publishing, 2017, p. 46.

⁵⁰ Yager, Jordy. "Geo-what? Geo-referencing!," *Mapping Cville Blog*, Jan. 24, 2019, <https://mappingcville.home.blog/> Accessed 27 September 2019; Yager, Jordy, "The Reimagining of Friendship Court: The History." *Cville Tomorrow*, <https://www.cvilletomorrow.org/specials/friendship-court/1920>. Accessed 18 Aug. 2019.

⁵¹ Lyle Solla-Yates. "There Goes the Neighborhood, A Forum on Race and City Planning" 22 Feb. 2019, Jefferson School, Charlottesville, VA. Presentation.

⁵² See Adel, Caris. "Zoned out: How neighborhood associations and zoning regulations have shaped our city." *C-Ville*, 23 Jan. 2019, www.c-ville.com/zoned-out-how-neighborhood-associations-and-zoning-regulations-have-shaped-our-city/?fbclid=IwAR1n494eJSKOj344mXZAGfigi3oHj9nMk5iN7ckiV8L6-suvRBT9kzSRbc. Accessed 19 June 2019. See also Yager, Jordy. "There Goes the Neighborhood, A Forum on Race and City Planning" Feb. 22, 2019, Jefferson School, Charlottesville, VA. Presentation.

⁵³ Rothstein, Richard. *The Color of Law: A Forgotten History of How Our Government Segregated America*. Liveright Publishing, 2017

⁵⁴ Madrigal, Alexis C. "The Racist Housing Policy That Made Your Neighborhood." *The Atlantic*, May 22, 2014, www.theatlantic.com/business/archive/2014/05/the-racist-housing-policy-that-made-your-neighborhood/371439/. Accessed 19 June 2019. See also Rothstein, Richard, *The Color of Law*. Liveright Publishing Corp. 2017. Gross, Terry. "A 'Forgotten History' of how the U.S. Government Segregated America." *NPR*, May 3, 2017, www.npr.org/2017/05/03/526655831/a-forgotten-history-of-how-the-u-s-government-segregated-america. Accessed 19 June 2019.

⁵⁵ Yager, Jordy and Lyle Solla-Yates. "There Goes the Neighborhood, A Forum on Race and City Planning" 22 Feb. 2019, Jefferson School, Charlottesville, VA. Presentation.

⁵⁶ Silver, Christopher. "The Racial Origins of Zoning in American Cities." *Urban Planning and the African American Community: In the Shadows*, p. 2, edited by June Manning Thomas and Marsha Ritzdorf, Sage Publications, 1997. *Arizona State University*, www.asu.edu/courses/aph294/total-readings/silver%20--%20racialoriginsofzoning.pdf. Accessed 19 June 2019.

⁵⁷ Knight, Charles Louis. *Negro Housing in Certain Virginia Cities*. The William Byrd Press, Inc., 1927, p. 129. *HathiTrust Digital Library*, [hdl.handle.net/2027/uc1.\\$b41435](http://hdl.handle.net/2027/uc1.$b41435). Accessed 17 September 2019.

⁵⁸ Coates, Ta-Nehisi. "The Case for Reparations," *The Atlantic*, June 2014, www.theatlantic.com/magazine/archive/2014/06/the-case-for-reparations/361631/. Accessed 19 June 2019.

⁵⁹ *Shelley v. Kraemer*, 334 U.S. 1 (1948). Though the Court found that private racial covenants could not be enforced by courts, the use of racial covenants continued until 1968 with the Fair Housing Act.

⁶⁰ "Ku Klux Klan." *The Daily Progress*, 23 Aug. 1922, p. 1,3, *UVA Library Archives*, search.lib.virginia.edu/catalog/uva-lib:2122694/view#openLayer/uva-lib:2122695/4293/1474/2/1/1. Accessed 19 June 2019.

⁶¹ "Altered Zone Law Finally Passed by City Commission." *The Daily Progress*, June 18, 1929, p. 1. *UVA Library Archives*, search.lib.virginia.edu/catalog/uva-lib:2637683/view#openLayer/uva-lib:2637684/2799.5/4489.5/3/1/1. Accessed 19 June 2019.

⁶² "Proposed Zoning Map of Charlottesville, VA and Vicinity," *The Daily Progress*, 22 Apr. 1929, p. 6. *UVA Library Archives*, search.lib.virginia.edu/catalog/uva-lib:2637064/view#openLayer/uva-lib:2637070/5015.5/3117.5/3/1/0. Accessed 19 June 2019.

⁶³ Silver, Christopher. *Twentieth-Century Richmond: Planning, Politics, and Race*. University of Tennessee Press, 1984.

⁶⁴ Silver, Christopher. *Twentieth-Century Richmond: Planning, Politics, and Race* at 110, 112. In predominately Black neighborhoods, Saville's plans still allowed for absentee white ownership. These properties were then rented out and, since housing was already limited in the area, they brought a good

return for their white owners. Thus, the zoning plan exacerbated the already low home ownership among Black people.

⁶⁵ “Altered Zone Law Finally Passed by City Commission,” *The Daily Progress*, June 18, 1929, p. 1. *UVA Library Archives*, search.lib.virginia.edu/catalog/uva-lib:2637683/view#openLayer/uva-lib:2637684/2799.5/4489.5/3/1/1. Accessed 19 June 2019.

⁶⁶ Solla-Yates, Lyle. Interview by Rick Moore. Sunday Morning Wakeup Call on 94.7 WPVC Charlottesville, 25 Nov. 2018, www.cvillepodcast.com/wp-content/uploads/2018/11/2018-11-25-1-wakeup-call.mp3.

⁶⁷ Zoning experts found that “preventing ‘the coming of colored people into a district’” was a leading reason cited to by municipalities for enacting single family districts throughout the 1920s. Rothstein, Richard. *The Color of Law*, p. 52.

⁶⁸ *Euclid v. Ambler*, 272 U.S. 365 (1926)

⁶⁹ “Advertisement for Westview Terrace Subdivision.” *Daily Progress*, 28 Aug. 1956, p. 2. *UVA Library Archives*, search.lib.virginia.edu/catalog/uva-lib:2702990/view#openLayer/uva-lib:2702992/2443.5/4060.5/2/1/0. Accessed 19 June 2019.

⁷⁰ “Altered Zone Law Finally Passed by City Commission.” *The Daily Progress*, June 18, 1929, p. 1. *UVA Library Archives*, search.lib.virginia.edu/catalog/uva-lib:2637683/view#openLayer/uva-lib:2637684/2799.5/4489.5/3/1/1. Accessed 19 June 2019.

⁷¹ “Council Agrees to Change Zone Law.” *The Daily Progress*, June 5, 1929, p. 1, search.lib.virginia.edu/catalog/uva-lib:2637546/view#openLayer/uva-lib:2637547/4856.5/1967.5/2/1/0. Accessed 26 Jun. 2019.

⁷² Harland Bartholomew & Associates. “A Preliminary Report Upon Housing, Charlottesville, Virginia: Prepared for the City Planning Commission by Harland Bartholomew and Associates,” 1957, <https://babel.hathitrust.org/cgi/pt?id=uva.x001932371&view=1up&seq=7>. Accessed 27 Sept. 2019.

⁷³ Rothstein, Richard. *The Color of Law*, p 48-50.

⁷⁴ Rothstein, Richard. *The Color of Law*, p. 49. (Offensive language of original text.)

⁷⁵ Rothstein, Richard. *The Color of Law*, p. 48-50

⁷⁶ Rothstein, Richard. *The Color of Law*, p. 48-50

⁷⁷ Rothstein, Richard. *The Color of Law*, p. 49 (Offensive language of original text.)

⁷⁸ Harland Bartholomew & Associates. “A Preliminary Report,” p. 11.

⁷⁹ Harland Bartholomew & Associates. “A Preliminary Report,” p 7.

⁸⁰ Harland Bartholomew & Associates. “A Preliminary Report,” p 13.

⁸¹ Castro, Melissa. “Restrictive Zoning Makes Tight Charlottesville Housing Supply Even Tighter” *The Daily Progress*, Apr. 22, 2018, www.dailyprogress.com/realestate/articles/restrictive-zoning-makes-tight-charlottesville-housing-supply-even-tighter/article_ef1e97fa-443b-11e8-8564-ab108fb49611.html. Accessed 26 Jun. 2019.

⁸² Harland Bartholomew & Associates. “A Preliminary Report,” p. 58.

⁸³ Saunders, James Robert and Renae Nadine Shackelford. *Urban Renewal and the End of Black Culture in Charlottesville, Virginia*. McFarland, 1998.

⁸⁴ Solla-Yates, Lyle. "There Goes the Neighborhood, A Forum on Race and City Planning" Feb. 22, 2019, Jefferson School, Charlottesville, VA. Presentation.

⁸⁵ Saunders, James Robert and Renae Nadine Shackelford. *Urban Renewal and the End of Black Culture*. This volume chronicles the aftermath of the destruction of Vinegar Hill, including transcripts from interviews with former residents and their families. Vinegar Hill is merely one of many stories involving the theft of Black homes by state or state sanctioned actions. For more information on such history, consider attending the regular monument tour led by Dr. Jalane Schmidt and Dr. Andrea Douglas.

⁸⁶ Solla-Yates, Lyle. "There Goes the Neighborhood, A Forum on Race and City Planning" Feb. 22, 2019, Jefferson School, Charlottesville, VA. Presentation (presented by Matthew Gillikin).

⁸⁷ "Preliminary Approval Given Proposed Change in Zoning." *The Daily Progress*, July 24, 1964, p. 12. *UVA Library Archives*, search.lib.virginia.edu/catalog/uva-lib:2677464/view#openLayer/uva-lib:2677476/4558/1910.5/2/1/0. Accessed 19 June 2019.

⁸⁸ "Preliminary Approval Given Proposed Change in Zoning," p. 12. Those prosperous white families who had already built duplexes in these areas were allowed to keep those and did not have to eliminate one of the dwellings on their property despite the zoning changes. This deal was necessary to get the measure passed and held until 1991. At that time the City zoned these neighborhoods R-1, only allowing single family units, putting affordable rental and homeownership further out of reach for low-moderate income people.

⁸⁹ Mock, Brentin. "The Meaning of Blight." *Citylab*, Feb. 16, 2017, www.citylab.com/equity/2017/02/the-meaning-of-blight/516801/. Accessed June 19, 2019

⁹⁰ *United States v. Charlottesville Redev. & Housing Authority*, 718 F. Supp. 461 (W.D. Va. 1989).

⁹¹ Solla-Yates, Lyle. Interview by Rick Moore. *Sunday Morning Wakeup Call on 94.7 WPVC Charlottesville*, Nov. 25, 2018, www.cvillepodcast.com/wp-content/uploads/2018/11/2018-11-25-1-wakeup-call.mp3. Accessed 26 Jun. 2019.

⁹² For further information, see: Zoning District Map: <http://www.charlottesville.org/home/showdocument?id=65244>

General Land Use Plan Map: <https://www.charlottesville.org/home/showdocument?id=26987>

⁹³ The term "environmental racism" comes from the environmental justice movement, which acknowledges the disparate impact of environmental harm on communities of color from both de jure and de facto racism in policies and practices throughout the nation. To read more, see Vann R. Newkirk II, "Trump's EPA Concludes That Environmental Racism is Real," *The Atlantic*, Feb. 28, 2018, <https://www.theatlantic.com/politics/archive/2018/02/the-trump-administration-finds-that-environmental-racism-is-real/554315/>. Accessed 25 October 2019.

⁹⁴ Harris, Bill. Phone interview conducted by Laura Goldblatt. Dec. 14, 2018.

⁹⁵ Between 2010 and 2017, Charlottesville saw an increase of 6,000 new residents. "Virginia Population Estimates," *Demographics Research Group, University of Virginia Weldon Cooper Center for Public Service*, <https://demographics.coopercenter.org/virginia-population-estimates/>. Accessed 25 October 2019.

⁹⁶ Eighty percent (80%) of policies are mandatory and tend to produce more low-income housing stock than voluntary policies. See Thaden, Emily. "Developing an Inclusionary Housing Program: Part I. Key Considerations for the Policy & Regulations," *National Community Land Trust Network*, Aug. 2014.

Internet Archive Wayback Machine, web.archive.org/web/20141031130346/http://cltnetwork.org/wp-content/uploads/2014/08/Developing-an-Inclusionary-Housing-Program-Policy-Regulations-8-15-14.pdf. Accessed 19 June 2019.

⁹⁷ Units created through the Low Income Housing Tax Credit, for example, require an affordability period of only 15-30 years. Where not prohibited by state law's rules against perpetuities, some local affordable housing programs have adopted an affordability duration of 99 years, or even in perpetuity. See Appendix and Jacobus, Rick. "Inclusionary Housing: Creating and Maintaining Equitable Communities," *Lincoln Institute of Land Policy*, 2015, p. 8, 34-35, www.lincolninst.edu/sites/default/files/pubfiles/inclusionary-housing-full_0.pdf. Accessed 19 June 2019.

⁹⁸ Denver Office of Economic Development. "Gentrification Study: Mitigating Involuntary Displacement," *City and County of Denver*, May 2016, www.denvergov.org/content/dam/denvergov/Portals/690/Reports%20and%20Studies/GENT%20STUDY%20051816.pdf. Accessed 19 June 2019.

⁹⁹ Denver Office of Economic Development. "Gentrification Study: Mitigating Involuntary Displacement," at p. 6, 20-21.

¹⁰⁰ Local and Regional Government Alliance on Race and Equity (GARE). "Map of Participating Jurisdictions." GARE, 2019, www.racialequityalliance.org/where-we-work/jurisdictions/. Accessed 19 June 2019.

¹⁰¹ See Forman, Nikki and Michael Smith. "Mayor Keisha Lance Bottoms Announces One Atlanta: The Mayor's Office of Equity, Diversity, and Inclusion." *City of Atlanta*, GA, May 23, 2018, www.atlantaga.gov/Home/Components/News/News/11595/1338. Accessed 19 June 2019. "History of the Equity Office." *AustinTexas.gov*, www.austintexas.gov/departments/equity/about. Accessed 19 June 2019.

¹⁰² Seattle not only passed a resolution that equity should be incorporated throughout its comprehensive plan, it established a program in 2004 to explicitly address race and social justice including in budget decisions. City of Seattle Department of Planning & Development. "City of Seattle Comprehensive Plan: A Plan for Managing Growth 2015-2035," Jan. 2005, www.seattle.gov/dpd/cs/groups/pan/@pan/documents/web_informational/dpdd016610.pdf. Accessed 19 June 2019. Kleine, Andrew and Mira Green. "Seattle is Helping Baltimore Consider Racial Equity in Budget Decisions," *Medium*, Dec. 19, 2017, medium.com/@Results4America/seattle-is-helping-baltimore-consider-racial-equity-in-budget-decisions-8f06a24bdaa8. Accessed 19 June 2019. See also "Guiding Principles in Albuquerque's Comprehensive Plan: Seattle 2035 Complete Comprehensive Plan," *Albuquerque City Council*, p. 9, <http://documents.cabq.gov/planning/UDD/CompPlan2017/CompPlan-Chapter3.pdf>. Furthermore, Portland has created a strategy guide on achieving racial equity that Charlottesville might use. See Portland's Partnership for Racial Equity. "Racial Equity Strategy Guide," *Urban League of Portland*, Feb. 2012, ulpdx.org/wp-content/uploads/2012/02/RACIAL-EQUITY-STRATEGY-GUIDE-FINAL.pdf. Accessed 19 June 2019. Portland's Comprehensive 2035 Plan explicitly includes Equity as a guiding vision for the city. The Bureau of Planning and Sustainability, City of Portland, Oregon. "2035 Comprehensive Plan," *The City of Portland Oregon*, Dec. 2018, www.portlandoregon.gov/bps/2035-comp-plan.pdf. Accessed 19 June 2019. Credit must be given to interim Mike Murphy, who with city council started the efforts in the city to address equity internally and externally with an advisory committee on equity in 2019. https://www.dailyprogress.com/news/local/city-to-consider-creating-department-of-equity-and-inclusion/article_745384bc-1195-541d-b1f7-62198d66c303.html. Accessed 27 Jan. 2020.

¹⁰³ An example is Portland's *Gentrification and Displacement Study*. The report discusses significant training and building capacity for cultural competency and acquiring skills for addressing racial injustice. Bates, Lisa K. *Gentrification and Displacement Study*.

¹⁰⁴ "In 2010 Charlottesville, Virginia, underwent a citywide examination of the history of race discrimination in the region and developed recommendations for how to handle racial attitudes. Over 350 people participated in various work groups for eight weeks. The government work group proposed that the city

develop racial impact statements similar to environmental impact statements. Abigail Turner, coauthor of the proposal and participant in the group, insisted that the proposal for the racial impact statement ordinance be explicitly linked to a summary of Charlottesville's history of racial discrimination and resistance to integration." Kennedy, William, et al. "Putting Race Back on the Table: Racial Impact Statements." *Pursuing Racial Justice in the 21st Century*, special issue of the *Clearinghouse Review: Journal of Poverty Law and Policy*, vol. 47, no. 5-6, Sep-Oct 2013, pp. 157-158. *Shriver Center on Poverty Law*, povertylaw.org/files/docs/article/chr_2013_september_october_kennedy.pdf. Accessed 19 June 2019.

¹⁰⁵ Keleher, Terry. "Racial Equity Impact Assessment." *Race Forward: The Center for Racial Justice Innovation*, 2009, www.raceforward.org/sites/default/files/RacialJusticeImpactAssessment_v5.pdf. Accessed 19 June 2019.

¹⁰⁶ Keleher, Terry. "Racial Equity Impact Assessment," at 1.

¹⁰⁷ The Government Work Group on the Dialogue on Race presented a proposal for inquiry in 2011 to establish an Equity Policy, wherein the city required community impacts for new developments. The workgroup suggested that impact statements: Develop a baseline of information (current state) to determine current inequities in a given community; Demonstrate how a proposed action will exacerbate or remediate the existing inequities of the racial and language minority community in the proposed affected area; Ask whether the proposed action will create new problems that would have an adverse effect on the racial and language minority community in the proposed affected area; Ask who are the primary beneficiaries of a proposed action; and ask whether the proposed action will lead to any displacement. Turner, Abigail and Robert Monoso. *A Proposal to Require a Racial (or Community) Impact Statement for Major New Initiatives in Charlottesville*, prepared for the Government Work Group on the Dialogue on Race, 18 Apr. 2011, p. 6. Unpublished report, on file with William Kennedy and the Legal Aid Justice Center. Fairfax has adopted such a policy. See Fairfax County Office of Public Affairs. "Fairfax County Adopts Social and Racial Equity Policy Called One Fairfax." *Fairfax County Virginia*, 21 Nov. 2017. www.fairfaxcounty.gov/publicaffairs/fairfax-county-adopts-social-and-racial-equity-policy-called-one-fairfax. Accessed 19 June 2019.

¹⁰⁸ The PES report found that the overlap of low-income residents corresponds with census tracts that showed majority-minority population. "Racial and ethnic concentrations continue with the African American population representing 49.4 percent of the population in Census Tract 5.01 and 46.8 percent in 4.01... Excluding tracts dominated by students (2.01, 2.02 and 6.0), the lowest median household incomes (\$38,725 to \$45,420) prevail in Census Tracts 4.01, 5.01 and 4.02. These tracts also have the largest concentrations of households within incomes below \$25,000 – more than 28 percent of all tract households (Appendix Table A-20). In contrast, the highest median household incomes are in Census Tracts 10, 8.0 and 5.02, ranging from \$59,375 to \$69,138." FCBI and PES. *Housing Needs Assessment*. p.17-19.

¹⁰⁹ The Comprehensive Plan includes a "Housing Policy 1," which alludes to housing for those at 80% AMI, which would be \$71,200 for a household of four in Charlottesville. "Charlottesville Comprehensive Plan 2013, Housing." *City of Charlottesville*, <https://www.charlottesville.org/home/showdocument?id=35049>

¹¹⁰ See FCBI and PES. *Housing Needs Assessment*.

¹¹¹ Bates, Lisa K. "Gentrification and Displacement Study."

¹¹² For example, the Piedmont Housing Alliance's planning process has incorporated current residents into its decision making, including compensating a group of residents for their participation in regular Advisory Committee meetings. Residents report they are genuinely listened to and have influenced decisions about their future neighborhood.

¹¹³ "About Section 3." *U.S. Department of Housing and Urban Development*, n.d., www.hud.gov/program_offices/fair_housing_equal_opp/section3/section3. Accessed 19 June 2019

(interpreting 12 U.S.C. §1701u). This requirement also applies to construction or rehabilitation projects receiving over \$200,000 in funding from housing and community development funds, including Community Development Block Grants (CDBG), and to contractors/subcontractors that receive HUD funding. See “When is Section 3 Triggered for a CDBG Project?” *HUD Exchange*, May 2015, www.hudexchange.info/faqs/2275/when-is-section-3-triggered-for-a-cdbg-project/. Accessed 24 October 2019.

¹¹⁴ “United States of America Department of Housing and Urban Development Office of Fair Housing and Equal Opportunity Voluntary Compliance Agreement between United States of America Department of Housing and Urban Development and the Chicago Housing Authority.” *National Black Chamber of Commerce*, 1 Mar. 2013, www.nationalbcc.org/images/stories/Chi_HA_Voluntary_Compliance_Agreement.pdf. Accessed 19 June 2019.

¹¹⁵ “CHA’s Outstanding Work in Section 3 Program Prompts HUD to Waive Final Year of Compliance Agreement.” *The Chicago Citizen*, 7 Feb. 2018, thechicagocitizen.com/news/2018/feb/07/chas-outstanding-work-section-3-program-prompts-hu/. Accessed 19 June 2019.

¹¹⁶ “CHA’s Outstanding Work in Section 3 Program Prompts HUD to Waive Final Year of Compliance Agreement.”

¹¹⁷ City of Charlottesville, “Budget in Brief & Strategic Plan Progress Report, Adopted Fiscal Year 2019/2020,” p. 5, <https://www.charlottesville.org/home/showdocument?id=65773>. Accessed 28 Jan. 2020.

¹¹⁸ Although the City Attorney has pointed out that her interpretation of the law prohibits current city councils from obligating future city councils, this City Council can announce a commitment today that must be affirmatively abandoned by future councils.

¹¹⁹ The current affordable housing ordinance requires only two dollars per square foot above the baseline allowed density (the extra square footage they are getting in their special use permit), and two per square foot of the proportionate amount of residential floor area in a mixed use proposal. While Va. Code § 52.2-2305 sets constraints on the city not to create “economic loss” upon a developer, it is silent as to the amount of cash contribution that the city may impose on the applicant. Charlottesville, however, opted to have special enabling legislation for its affordable housing ordinance, so it may require permission to amend this ordinance now that it has such specific enabling legislation. See Virginia Acts of Assembly, Chapter 225, Approved March 16, 2015 [S 1245].

¹²⁰ The City has demonstrated adhering to this principle in its investment in Piedmont Housing Alliance this year, and its historic redevelopment project, Friendship Court. We hope it continues to invest deeply in thoughtful projects led by organizations truly committed to their mission. Yager, Jordy. “The Reimagining of Friendship Court.” *Charlottesville Tomorrow*, 2018, www.cvilletomorrow.org/specials/friendship-court/#. Accessed 19 June 2019.

¹²¹ See e.g. Charlottesville Redevelopment and Housing Authority. “Section 25. Termination and Eviction Policy.” *Admissions and Continued Occupancy Policy*, Apr. 2010, pp. 227-232, www.charlottesville.org/home/showdocument?id=49133. Accessed 19 June 2019. Stacy Pethia also proposed a right of first refusal option attached with CAHF funding in case of proposed sale of affordable housing properties.

¹²² These are sometimes also referred to as “synthetic TIFs.”

¹²³ As suggested by Councilor Galvin. See also Housing Virginia. *Welcome to the Neighborhood: A Practitioner’s Guide to Inclusionary Housing*. Housing Virginia, Sep. 2017, www.housingvirginia.org/wp-content/uploads/2017/09/HV_Inclusionary_FINAL-09.01.2017.pdf. Accessed 19 June 2019.

Value capture districts have been used in Virginia for transportation infrastructure. For example, Loudon County created a special tax district to fund Metrorail expansion (see link below), but Charlottesville will need to evaluate whether Virginia law authorizes a value capture district for affordable housing purposes.

Loudoun County Minute Book. Loudoun County Virginia, 4 Jun. 2012 thru 11 Sep. 2012, pp. 104-105, 156, [lfportal.loudoun.gov/LFPortalinternet/0/edoc/133958/102%20-%20Minute%20Book%2006-04-2012%20thru%2009-11-2012.pdf](http://portal.loudoun.gov/LFPortalinternet/0/edoc/133958/102%20-%20Minute%20Book%2006-04-2012%20thru%2009-11-2012.pdf). Accessed 19 June 2019.

¹²⁴ Tubbs, Sean. "City-run Housing Voucher Program Stalled." *Charlottesville Tomorrow*, 13 Dec. 2017, www.cvilletomorrow.org/news/article/29394-city-run-housing-voucher-program-stalled/. Accessed 3 Feb. 2020.

¹²⁵ Yager, Jordy. "Affordable Housing Remedies Include Land Purchasing and City-Funded Rental Assistance." *Charlottesville Tomorrow*, 28 June 2017, www.c-ville.com/affordable-housing-remedies-include-land-purchasing-city-funded-rental-assistance/#.XBKeLC2ZM6g. Accessed 19 June 2019. Note, these numbers are not currently accurate; CRHA has permission to administer 538 vouchers but has fewer than 300 that are active.

¹²⁶ Although \$900,000 had been allocated in 2017 (See Tubbs, Sean. "City-run Housing Voucher Program Stalled." *Charlottesville Tomorrow*, 13 Dec. 2017, www.cvilletomorrow.org/news/article/29394-city-run-housing-voucher-program-stalled/. Accessed 3 Feb. 2020), only 77 families had successfully attached vouchers to rental units by July 2019. Another 20 families were undergoing screening. Others may have timed out of the program without attaching their vouchers. McGowan, Elizabeth. "Charlottesville program pairs housing vouchers with energy efficiency funds," *Energy News Network*, 19 July 2019. Accessed 3 Feb. 2020.

¹²⁷ See Cunningham, Mary, et al. "A Pilot Study of Landlord Acceptance of Housing Choice Vouchers." *HUD Office of Policy Development and Research*, Sep. 2018. Hud User, www.huduser.gov/portal/sites/default/files/pdf/Landlord-Acceptance-of-Housing-Choice-Vouchers.pdf. Accessed 19 June 2019. Because there are no specific legal protections for voucher holders in Virginia, it is difficult to estimate the exact discrimination rate. In general, voucher holders are denied housing 75% of the time in areas without legal protections compared with 35% of the time in areas with source of income non-discrimination laws. See National Low Income Housing Coalition. "Existing Source of Income Non-Discrimination Laws Protect Only One in Three Voucher Holders." 22 Oct. 2018, nlihc.org/resource/existing-source-income-non-discrimination-laws-protect-only-one-three-housing-voucher. Accessed 19 June 2019. See Also Neimeier, Todd (Community Outreach & Investigation Specialist for the Charlottesville Human Rights Commission). Correspondence. 13 Mar. 2019.

¹²⁸ Pethia, Stacey. "Implementation Plan for the Charlottesville Landlord Risk Reduction Fund." *Charlottesville City Council Agenda*, 20 Nov. 2017, pp. 111-122, www.charlottesville.org/home/showdocument?id=59495. Accessed 19 June 2019.

¹²⁹ See the Move to Opportunity, Housing Opportunities Made Equal, <https://homeofva.org/get-help/move-to-opportunity/>

¹³⁰ See Va. Code § 58.1-3295(B).

¹³¹ "Charlottesville Housing Affordability Program." *City of Charlottesville Commissioner of Revenue*, n.d., <https://www.charlottesville.org/departments-and-services/departments-a-g/commissioner-of-revenue/real-estate-tax-relief-for-the-elderly-and-disabled>. Accessed 24 Jan. 2020.

¹³² In fact, this City's prior use of its bonding powers with the housing authority was an extension of the story of the Vinegar Hill tragedy. The City passed a \$9.5 million bond, transferred these funds to CRHA, which in turn provided the funds to a private developer to build a hotel-convention center in the "Vinegar Hill Redevelopment area of the city." See *City of Charlottesville v. DeHaan*, 228 Va. 578 (1984) (Plaintiff challenged the City's actions as in violation of the Virginia Constitution's Credit Clause, wherein it borrowed "money from the public... for the exclusive purpose of making a loan at bargain rates to a private commercial concern." *Id.* at 593 (dissent). The Supreme Court of Virginia upheld Charlottesville's Vinegar Hill project as in the public interest as "a last step in the City's two-decade-long struggle to redevelop an area that had been a sore spot in the City's downtown section." *Id.* at 588).

¹³³ Va. Code § 36-29.

¹³⁴ The City of Charlotte currently has a need for nearly 34,000 low-income units to meet the demands of the growing city and housing costs. In November 2018, during the midterm election, Charlotte voters approved a \$50 million bond to directly subsidize developers who build homes for low and extremely low-income persons, in addition to the rehabilitation of dilapidated single-family homes and apartments. Along with the secured bond, land donations and the potential for private sectors to match the bond in assets, land, or cash will contribute to the city's addressing of their low-income and affordable housing crisis.

Clasen-Kelly, Fred. "Organizers Declare Victory as all 3 Mecklenburg Bond Referendums Hold Big Leads." *The Charlotte Observer*, 6 Nov. 2018, www.charlotteobserver.com/news/politics-government/election/article221034850.html. Accessed 19 June 2019.

¹³⁵ Dye, Richard E. and David F. Merriman. "Tax Increment Financing: A Tool for Local Economic Development." *Land Lines*, Jan. 2006. *Lincoln Institute of Land Policy*, www.lincolniinst.edu/publications/articles/tax-increment-financing. Accessed 19 June 2019.

¹³⁶ Va. Code § 58.1-3245.2. France, Bonnie M. "Financing Local Government Infrastructure and Capital Improvements." *Journal of Local Government Law*, Vol. 22, No. 1, Summer 2011, pp. 1-9. *Virginia State Bar*, www.vsb.org/docs/sections/localgovernment/LG_summer11.pdf. Accessed 19 June 2019. Similar tools, sometimes referred to as "synthetic TIFs," were further discussed above as Value Capture Districts in Section IV.B.2.

¹³⁷ See Va. Code § 58.1-3245.2. See also France. "Financing Local Government," p. 5.

Note: The City of Richmond is considering a plan to use any surplus revenues from a TIF district to fund affordable housing. Arlington has also considered using TIF as a mechanism to fund affordable housing. In addition to using the statutory TIF model, other communities enter into informal agreements wherein the City earmarks some taxes for bonds paid through Community Development Areas.

¹³⁸ Jason, Will. "New Report: Why Tax Increment Financing Often Fails and How Communities Can Do Better." *Lincoln Institute of Land Policy*, 11 Sep. 2018, www.lincolniinst.edu/publications/articles/new-report?utm_source=2006-Land-Lines&utm_medium=website&utm_campaign=test. Accessed 19 June 2019.

¹³⁹ Va Code § 58.1-3425.2(A)(1).

¹⁴⁰ Council has investigated "synthetic" TIFs as a potential method to target funds from an area to specific neighborhoods or purposes. See Section IV.C.3. regarding TIFs and concerns associated. Millonzi, Kara. "What is a Synthetic Project Development Financing (aka Synthetic TIF?)" *Coates' Canons: NC Local Government Law*, 5 Apr. 2013, canons.sog.unc.edu/what-is-a-synthetic-project-development-financing-aka-synthetic-tif/. Accessed 19 June 2019.

¹⁴¹ Introduced by Sunshine Mathon, a housing strike fund would be a fund held by the city earmarked for use when either affordable housing is imperiled by a potential change in ownership or when a unique opportunity to purchase land for the express purpose of providing affordable housing arises. For other examples, see "Housing Preservation Fund." *District of Columbia Department of Housing and Community Development*, <https://dhcd.dc.gov/service/housing-preservation-fund>. Accessed 24 October 2019; "Affordable housing crisis: To conserve or to create?" *Austin Monitor*, August 24, 2018, <https://www.austinmonitor.com/stories/2018/08/affordable-housing-crisis-to-conserve-or-to-create/>. Accessed 24 October 2019.

¹⁴² Impact fees are fees assessed from developers at the onset of a project with the commonsense notion that new development inevitable creates externalities such as increased transit pressures, water infrastructure burdens, and a myriad of other costs that are not captured in regular tax revenue. These

fees are currently only permitted for cities with 90,000 or more in population, but the City could advocate for change given Charlottesville's rapid population growth. Va. Code §§ 15.2-2317, 15.2-2328.

¹⁴³ Choi, Jung et al. "Exploring the Viability of Mansion Tax Approaches." *Housing Finance Policy Center*, May 2018 *Urban Institute*, www.urban.org/sites/default/files/publication/98423/exploring_the_viability_of_mansion_tax_approaches_16.pdf. Accessed 19 June 2019.

¹⁴⁴ Disincentives to leaving valuable land or property vacant need not be punitive. There can be exceptions to the tax where business can show a true financial loss, or the city could provide an opt out of the tax if the property owner allows for units to be rented out at affordable rates until the market improves. An analogous but flawed example is in Denver, which has introduced a pilot program where high-end vacant units are subsidized by the city for workforce housing. See "Making Housing Affordable." *LIVE Denver*, 2018, livedenver.org/. Accessed 19 June 2019. We do not recommend this approach as it rewards developers for focusing on luxury development when there is insufficient demand for such housing paid for by taxpayers, but it is a great example of using creativity and collaboration to address the housing shortage.

¹⁴⁵ There has been great criticism of such ordinances, but these can be crafted to encourage thoughtful development. Rather than creating an absolute restriction on the size of the envelope of a home, the city could restrict significant changes to the size of the home in a historically Black community. See Khurshid, Samar. "Budget Watchdogs Question De Blasio's 'Mansion Tax.'" *Gotham Gazette*, Mar. 24, 2017, www.gothamgazette.com/city/6830-budget-watchdogs-question-de-blasio-s-mansion-tax. Accessed 19 June 2019.

Cagle, Kate. "Homeowners Rush to File Plans Before Anti-Mansion Ordinance Limits New Construction." *Santa Monica Daily Press*, Jan. 29, 2018, smdp.com/homeowners-rush-to-file-plans-before-anti-mansion-ordinance-limits-new-construction/164124. Accessed 19 June 2019. Cities have also explored anti-speculator taxes, wherein an owner who has not established the home as their primary domicile and owns a property for less than 12 months must pay an additional tax at the point of sale. As properties across Charlottesville are flipped for more than double or triple the original purchase price in historically working-class neighborhoods, these profits should be reinvested into the community to prevent displacement and deter ballooning prices which could result in negative speculation.

¹⁴⁶ Stein, Jeff. "The Weeds: the land value tax, explained (out loud)." *Vox*, 2 May 2016, www.vox.com/2016/5/2/11533936/the-weeds-land-value-tax-explained. Accessed 19 June 2019.

¹⁴⁷ Currently, Virginia law allows tax deferrals for the elderly, individuals with disabilities, disabled veterans, and the spouses of military or law enforcement personnel killed in action, but Charlottesville has not enacted such an ordinance. See Va. Const. Art 10, § 6-A; Va. Code §§ 58.1-3210, 58.3212, and 58.1-3219.5 through 58.1-3219.16. Further, we recommend targeted exemption or protections based on risk of displacement.

¹⁴⁸ Va. Code § 58.2-3219.1.

¹⁴⁹ Va. Code § 58.2-3219.1.

¹⁵⁰ Stringer, Scott M. "Growing Unfairness: The Rising Burden of Property Taxes on Low-Income Households." New York City Comptroller, Sep. 6, 2018, comptroller.nyc.gov/reports/growing-unfairness-the-rising-burden-of-property-taxes-on-low-income-households/. Accessed 19 June 2019.

¹⁵¹ "Property Tax Relief is Within Reach..." *New York State Property Tax Reform Coalition*, www.nyspropertytaxreform.org/the-circuit-breaker/. Accessed 19 June 2019; Galvin, Kathy. "Memorandum for the Joint Housing Advisory Committee Meeting." Aug. 30, 2018, provided to the HAC, available at LAJC offices.

¹⁵² Charlottesville's affordable housing ordinance is only triggered if a developer applies for a special use permit – that is, if she requires special permission from the City to do something other than what is allowed already. Even when this ordinance is triggered, it does **not** require the building of affordable housing. Developers have the right to pay into the affordable housing fund rather than building affordable dwelling units on or off-site in the amount of 5% of the gross square footage over the density limitation. Charlottesville City Code, Sec. 34-12.

¹⁵³ Sisson, Patrick. "How Minneapolis's Radical Zoning Plan Becomes Policy." *Curbed*, Jan. 9, 2019, www.curbed.com/2019/1/9/18175780/minneapolis-2040-real-estate-rent-development-zoning. Accessed 19 June 2019.

¹⁵⁴ Haynes, Jonathan. "Mapping Inequality: Innovative Project Will Track Housing Discrimination." *C-VILLE*, Dec. 19, 2018, www.c-ville.com/mapping-inequality/. Accessed 19 June 2019.

¹⁵⁵ Yager, Jordy. "The Reimagining of Friendship Court."

¹⁵⁶ Increasing by-right building to up to two-to up to four-unit dwellings opens up a whole range of financing options for providing leveraged third-party funds. Government-backed housing finance providers such as Fannie Mae can provide up to 97% financing for four or fewer units before a loan becomes a commercial loan. If combined with additional subsidies, below-median income homeowners could build up to three affordable housing units on their property to supplement their income. d'Oronzio, Phil. Personal Interview. Jan. 23, 2019.

¹⁵⁷ Form Based Code Institute and Partners for Economic Solutions. "Bonus Height/Affordable Housing Financial Analysis: Charlottesville, Virginia." Apr. 26, 2018, www.charlottesville.org/home/showdocument?id=62032. Accessed 19 June 2019.

¹⁵⁸ Grabar, Henry. "Minneapolis Confronts Its History of Housing Segregation." *Slate*, Dec. 7, 2018, slate.com/business/2018/12/minneapolis-single-family-zoning-housing-racism.html. Accessed 19 June 2019.

¹⁵⁹ Reyes, Stephanie. "Inclusionary Housing in Soft of Mixed Markets." *Shelterforce*, Spring 2018, shelterforce.org/2018/05/07/inclusionary-housing-in-soft-or-mixed-markets/. Accessed 19 June 2019.

¹⁶⁰ See generally, Va. Code § 15.2-2201.

¹⁶¹ Any changes in zoning should be informed by studies such as the recent height bonus study done by the city, which analyzed the costs of building in relation to incentives for affordable housing development. A recent study of height bonuses as incentives revealed that the by-right heights in Charlottesville are too high already to incentivize affordable housing; however, if certain areas were down-zoned, height bonuses could be used for mandatory building of affordable units on site. FBCI and PES. "Bonus Height." See also, Galvin, Kathy. *Memorandum for the Joint Housing Advisory Committee Meeting*. 30 Aug. 2018, provided to the HAC, available at LAJC offices.

¹⁶² After efforts to encourage ADU development, a Portland State University survey showed that: a quarter of the city's ADUs were reserved for lucrative Airbnb-style nightly rentals, and the "four of every five ADU tenants have four years of college or more." Law, Steve. "ADUs Often More Affordable, Except When Short-Term Rentals." *Portland Tribune*, 2 July 2018, pamplinmedia.com/pt/9-news/399876-294987-adus-often-more-affordable-except-when-short-term-rentals-?utm_source=feedburner&utm_medium=feed&utm_campaign=Feed%3A+PortlandTribune+%28Portland+Tribune%29. Accessed 19 June 2019.

¹⁶³ "Accessory Dwelling Units: A Guide to Accessory Apartments in Charlottesville, VA." *City of Charlottesville Department of Neighborhood Development Services*, Nov. 2015, www.charlottesville.org/home/showdocument?id=38020. Accessed 19 June 2019; Charlottesville City Code, Sec. 34-1171.

¹⁶⁴ Analogous to housing repair grants, which require a “soft” lien on a property which is lifted when certain conditions are met (living in the property for 5 years, etc), the City could provide construction financing via nonprofit partners with congruent experience. The nonprofit would supervise the construction as the construction lender and provide guidance and management of the leasing of the completed unit. A partnered private lender would provide permanent financing to the homeowner, restoring the preponderance of the funds to the nonprofit for further construction. The City would also retain a lien, and the provisions of the underlying note would be designed to ensure the new unit remained affordable (acceleration clauses in the event the unit ceased to meet the affordability requirements, for example). Interview of Phil d’Oronzio.

¹⁶⁵ FBCI and PES, *Housing Needs Assessment*, p. v.

¹⁶⁶ Charlottesville City Code, 30-251 *et seq.* Short term rental taxes and fees have the advantage of targeting a trend that negatively affects the availability of affordable housing and at the same time generating revenue. Other cities have enacted higher short-term rental taxes. For example, Park City, Utah imposes a 10-12% tax and Berkeley imposes a 12% tax (See Utah State Tax Commission and “General Information”). Rather than collecting a percent of the rental cost, New Orleans imposes a \$1 per day fee for short term rentals, which is contributed to a neighborhood fund, and is considering increasing the fee to \$10-\$25 depending on the type of property (See Adelson). Seattle is considering a \$14 daily fee, and Miami collects a percentage of all fines for short term rental violations (See Farmer). Still other cities have severely restricted short-term rentals and imposed fines for violation in order to preserve affordable housing. (See Sokolowsky). See also Utah State Tax Commission. “Utah Code Title 59, Chapter 12: Sales & Use Tax Act Applied to Certain Transactions.” *State of Utah*, 1 Jan. 2019, tax.utah.gov/salestax/rate/19q1simple.pdf. Accessed 19 June 2019. “General Information: Short-Term Rental Registration and Taxes.” *City of Berkeley*, www.cityofberkeley.info/str/. Accessed 19 June 2019. Adelson, Jeff. “New Orleans Councilwoman’s Plan for Short-Term Rentals Includes Stricter Rules, Higher Fees, More,” *The New Orleans Advocate*, Dec. 13, 2018, www.theadvocate.com/new_orleans/news/article_19867fcc-ff3e-11e8-bf12-0f4d0fa38d83.html. Accessed 19 June 2019. Farmer, Liz. “The Week in Public Finance: Affordable Housing Shortage? Massachusetts Might Tax Airbnb to Pay for It,” *Governing the States and Localities*, Aug. 3, 2018, www.governing.com/week-in-finance/gov-massachusetts-airbnb-tax-affordable-housing.html. Accessed 19 June 2019. Sokolowsky, Jennifer. “Asheville, North Carolina, Severely Restricts Short-Term Rentals,” *Avalara MyLodgeTax*, Feb. 27, 2018, www.avalara.com/mylodgetax/en/blog/2018/02/asheville-north-carolina-severely-restricts-short-term-rentals.html. Accessed 19 June 2019.

¹⁶⁷ “Area Plans are like mini Comprehensive Plans that focus on a smaller area within a community. They can be for a town, neighborhood or a geographic area. Area plans are shorter than comprehensive plans and often contain a set of specific recommendations and policy actions that can be taken to implement the vision of the plan. In Virginia, the authority to do area plans is provided by State enabling legislation Code 15.2-2223, -223.1, 2232.” “Cherry Avenue Small Area Plan.” *Thomas Jefferson Planning District Commission*, 2018, tjpd.org/cherryavenue/. Accessed 19 June 2019. See also “Small Area Plans.” *City of Charlottesville*, 2013, www.charlottesville.org/home/showdocument?id=26790. Accessed 19 June 2019. Tubbs, Shawn. “Hydraulic Area Redevelopment and Transportation Plan Moving Forward.” *Charlottesville Tomorrow*, Aug. 24, 2017, www.cvilletomorrow.org/articles/hydraulic-area-redevelopment. Accessed 19 June 2019.

¹⁶⁸ Such plans allow for the full spectrum of planning tools: zoning (such as form based code), guiding principles (such as transit oriented development), and governing land use documents.

“Rio29 Small Area Plan.” *Albemarle County*, n.d., www.albemarle.org/departments.asp?department=cdd&relpage=20580. Accessed 19 June 2019.

This plan is then adopted into the larger comprehensive plan. For example, the Hydraulic Area Plan was adopted by council on May 7, 2018. “Plan to Create Mixed-Use Destination at Rt. 29, Hydraulic Rd. Moves Forward.” *NBC29.com*, Ed. Emmy Freedman, May 21, 2018,

www.nbc29.com/story/38133996/plan-to-create-mixed-use-destination-at-rt-29-hydraulic-rd-moves-forward. Accessed 19 June 2018.

¹⁶⁹ “Neighborhood preservationist” groups shutdown efforts in Austin, TX from creating better tools for affordable housing in part as a result of a flawed community engagement strategy. Dovey, Rachel. “Austin Presses Pause on Zoning Update, Citing Divisive and Poisoned Process.” *Next City*, Aug. 2, 2018, nextcity.org/daily/entry/austin-presses-pause-on-zoning-update-citing-divisive-and-poisoned-process. Accessed 19 June 2019.

¹⁷⁰ Sometimes we hear this view expressed as “keeping neighborhood character.” As hard historical evidence continues to show that racism is the origin of such neighborhood “character,” we urge neighbors to reconsider this approach to changes in our city.

¹⁷¹ In areas with high percentages of Black and Brown community members, neighborhood advisory councils can intentionally amplify marginalized voices to guide the direction of zoning and planning in these neighborhoods.

“SMAPL! A Living Document.” *The Frogtown Neighborhood Association*, 2017, www.frogtownmn.org/smapl2/. Accessed 19 June 2019. Kirk, Mimi. “How to Fight Gentrification with a Comic Book.” *CityLab*, Feb. 6, 2018, www.citylab.com/solutions/2018/02/how-to-fight-gentrification-with-a-comic-book/552320. Accessed 19 June 2019.

¹⁷² The authors struggled about whether or not to even claim that any Black neighborhoods truly exist anymore in Charlottesville. All neighborhoods which may have once identified as a historically Black neighborhood are currently under attack. Housing turnover in several neighborhoods is rampant, and in some cases, it is too late at this stage to preserve much by way of community and cultural treasure. It may be that we as a community must “rebuild” historically Black neighborhoods and acknowledge the loss already felt.

¹⁷³ See 42 U.S.C. § 3601 *et seq.* (prohibiting housing discrimination on the basis of race, color, national origin, religion, sex, disability, or familial status) (the Fair Housing Act); see also *Texas Dep’t of Hous. & Cmty. Affairs v. Inclusive Communities Project*, 135 S.Ct. 2507 (2015) (affirming disparate impact liability and noting its application to cities). The Fair Housing Act was enacted as Title VIII of the Civil Rights Act of 1968 to combat racial segregation. Section 3608 of the FHA mandates that “programs and activities relating to housing and urban development” must be administered “in a manner affirmatively to further the purposes of this subchapter.”

¹⁷⁴ Affirmatively Furthering Fair Housing, 80 Fed. Reg. 42272 (July 16, 2015).

¹⁷⁵ “AFFH: FAQ for Program Participants.” *HUD Exchange*, 31 Dec. 2015, www.hudexchange.info/resources/documents/AFFH-FAQs.pdf. Accessed 19 June 2019.

¹⁷⁶ Any argument that the Fair Housing Act legitimizes mixed income housing and forced displacement is nothing short of disingenuous. Defending the displacement of historically Black communities, using the Fair Housing Act -- the very statute enacted to redress decades of housing discrimination -- is unacceptable. The purpose of the de-concentration of poverty initiatives were an attempt to address localities’ persistent ghettoization of people by only permitting affordable housing in resource-poor neighborhoods and rejecting proposals in rich neighborhoods. If policymakers in Charlottesville truly want to commit to de-concentration of poverty, they should push for an aggressive integration of low-income households into high-income census tracts. See Goetz, Edward G. “The Smokescreen of Poverty Decentralization.” *Cityscape: A Journal of Policy Development and Research*, vol. 16, no. 2, 2014, pp. 139-142. www.huduser.gov/portal/periodicals/cityscpe/vol16num2/ch10.pdf. Accessed 19 June 2019.

¹⁷⁷ Charlottesville is small enough that authentic community engagement alone may help it identify these areas.

Denver Office of Economic Development. "Gentrification Study," p. 34-40, <https://www.denvergov.org/content/dam/denvergov/Portals/690/Reports%20and%20Studies/GENT%20STUDY%20051816.pdf>. Accessed 25 October 2019.

¹⁷⁸ The Housing Needs Assessment and the Housing Advisory Committee identified at least 4,000 "housing interventions" by 2040. Rather than only focusing on units, housing interventions is more inclusive, including tool such as housing counseling, tenant organizing, and case management to prevent homelessness.

¹⁷⁹ Crispell, Mitchell and Nicole Montojó. "Anti-Displacement Policy Case Study: San Francisco's Chinatown." *Urban Displacement Project*, Mar. 2016, www.urbandisplacement.org/sites/default/files/images/urbandisplacementproject_policycasestudy_chinatown_april2016.pdf. Accessed 19 June 2019.

After years of fighting speculation project-by-project for years, Chinatown activists "switched course toward advocating for structural changes to the neighborhood's land use policy to slow development." The Chinatown Resource Center organized residents for the passage of an ordinance which protected housing unique to San Francisco's Chinatown: the Residential Hotel Ordinance in 1980. Residents further prevented speculation and conversion of affordable residential homes by advocating for the passing a Chinatown Rezoning Plan as an amendment to the General Plan in 1986. This community planning process downzoned the neighborhood and limited the demolition of housing unless it "is the only way to protect public safety or for a specific use in which there is a high degree of community need." It also banned conversion of residential buildings into different uses.

¹⁸⁰ Sevchenko, Melanie. "Un-Gentrifying Portland: Scheme Helps Displaced Residents Come Home." *The Guardian*, Mar. 1, 2018, www.theguardian.com/cities/2018/mar/01/portland-anti-gentrification-housing-scheme-right-return. Accessed 19 June 2019.

¹⁸¹ Bates, Lisa K. *Gentrification and Displacement Study*. p. 42-43.

¹⁸² "HAC Priority Recommendation to City Council: Proposal to Forgive Developer Fees for On-Site Affordable Housing Provision." *City of Charlottesville Housing Advisory Committee*, May 1, 2017, s3.amazonaws.com/cville/cm%2Fmutlimedia%2F20170509-CPLAN-Housing-Packet.pdf. Accessed 19 June 2019.

¹⁸³ "HAC Priority Recommendation to City Council: Proposal to Forgive Developer Fees for On-Site Affordable Housing Provision." *City of Charlottesville Housing Advisory Committee*.

¹⁸⁴ Charlottesville City Code, Sec 34-800.

See also Alexandria Office of Housing. "Affordable Housing Regulatory Tools Case Studies." *City of Alexandria*, Dec. 2010, www.alexandriava.gov/uploadedFiles/housing/info/AffordableHousingCaseStudies12302010.pdf. Accessed 19 June 2019.

¹⁸⁵ NDS helped spearhead the contract for the housing needs assessment. It could expand studies like that one to those recommended in the anti-gentrification/racial mapping proposals above. Or it could consider a wage-based housing needs assessment. Cities like Park City, Utah, have similar characteristics to Charlottesville, as a tourist destination with many seasonal residents, and many high net worth individuals with homes and business interests in the city. Park City recognized that a typical analysis would not suffice for assessing their housing need. They approached this question by incorporating *average city wage* to understand the housing need, and found implications not only for housing, but also for traffic congestion, environmental air quality, and income and racial inequality in their city. If Charlottesville or the region embarks on another study in the future for housing need, it should

consider these alternate approaches which can account for unique factors of the city. Wood, James. "Park City Housing Needs Assessment," *Park City Department of Community Development*, 2016,

www.parkcity.org/home/showdocument?id=41968. Accessed 19 June 2019.

¹⁸⁶ See Appendix for a summary of the recent Efficiency Study of NDS.

¹⁸⁷ *IMPACT Charlottesville 2018 Nehemiah Action Packet*, Apr. 24, 2018, provided to CLIHC.

¹⁸⁸ *IMPACT Charlottesville 2018 Nehemiah Action Packet*, Apr. 24, 2018.

¹⁸⁹ *IMPACT Charlottesville 2018 Nehemiah Action Packet*, Apr. 24, 2018, provided to CLIHC.

¹⁹⁰ Hammel, Tyler. "County, City Reps Largely Commit to IMPACT Requests on Affordable Housing." *The Daily Progress*, Apr. 24, 2018, www.dailyprogress.com/news/local/county-city-reps-largely-commit-to-impact-requests-on-affordable/article_15c966da-4835-11e8-bf5e-4bfebe912e16.html. Accessed 19 June 2019.

¹⁹¹ "IMPACT Meets with City, County Employees to Address Affordable Housing Crisis." *NBC29.com*, ed. Emmy Freedman, 30 Oct. 2018, www.nbc29.com/story/39388383/impact-meets-with-city-county-employees-to-address-affordable-housing-crisis. Accessed 19 June 2019.

¹⁹² Wiltz, Teresa. "How Free Legal Help Can Prevent Evictions." *Huffington Post*, 27 Oct. 2017, www.huffingtonpost.com/entry/how-free-legal-help-can-prevent-evictions_us_59f33e45e4b06ae9067ab7f8. Accessed 19 June 2019. Office of Civil Justice, New York City Human Resources Administration. "Universal Access to Legal Services: A Report on Year One of Implementation in New York City." *City of New York*, Fall 2018, www1.nyc.gov/assets/hra/downloads/pdf/services/civiljustice/OCJ-UA-2018-Report.pdf. Accessed 19 June 2019. Doumar, Karim. "Philadelphia Could Be Next to Provide Lawyers for Low-Income Tenants." *CityLab*, Dec. 6 2018, www.citylab.com/equity/2018/12/philadelphia-could-be-next-provide-lawyers-low-income-tenants/577519. Accessed 19 June 2019.

¹⁹³ "Pro Bono Coordinator: News Coverage" *Charlottesville Albemarle Bar Association*, May 29, 2019 <https://cabaonline.org/pro-bono-coordinator-news-coverage/>. Accessed 25 Oct. 2019.

¹⁹⁴ "Editorial: Eviction Diversion Program Helps Landlord and Tenant." *Richmond Times-Dispatch*, Feb. 3, 2019, www.richmond.com/opinion/our-opinion/editorial-eviction-diversion-program-helps-landlord-and-tenant/article_162145d9-1552-5280-8e3a-b4aee2e39d25.html. Accessed 19 June 2019.

¹⁹⁵ "Master Planning." *Albemarle County*, www.albemarle.org/departments.asp?department=cdd&relpage=3199. Accessed 19 June 2019.

¹⁹⁶ Central Virginia Regional Housing Partnership. "Comprehensive Regional Housing Study and Needs Assessment," *Thomas Jefferson Planning District Commission*, Mar. 22, 2019, tjpd.org/media/CVRHP-Housing-Needs-Assessment-Packet-web.pdf. Accessed 19 June 2019.

¹⁹⁷ This is the highest bracket of any of the income levels identified in the study. See Central Virginia Regional Housing Partnership. "Comprehensive Regional Housing Study and Needs Assessment."

¹⁹⁸ Proposed by Kathy Galvin in *Memo: Affordable Housing Policy Ideas for the Affordable Housing Action Plan Work Session*, August 14, 2018.

¹⁹⁹ Popli, Nik. "U.Va is considering requiring all second-year students to live on grounds." *The Cavalier Daily*, Sept. 9, 2019, <https://www.cavalierdaily.com/article/2019/09/u-va-is-considering-requiring-all-second-year-students-to-live-on-grounds>. Accessed 24 Jan. 2020.

²⁰⁰ The Virginia Supreme Court's decision in *Board of Supervisors v. DeGroff Enterprises, Inc.*, 198 S.E.2d 600 (1973), severely restricted local governments across the state both under the Dillon Rule as well as the Virginia Constitution. In *Board of Supervisors*, the Virginia Supreme Court struck down Fairfax County's mandatory inclusionary zoning ordinance, which provided that every development of 50+ units must set aside 15% of the units for low-and moderate-income families. The Court held that such "socioeconomic zoning" constituted an unconstitutional taking without compensation, and moreover that it was not authorized under the Virginia Zoning Enabling Act (and thus violated the Dillon Rule). See also Kamptner, Greg. "Chapter 5: The Dillon Rule and Its Limitations on a Locality's Land Use Powers." *The Albemarle County Land Use Law Handbook*, Jul. 2015, p. 5-1 to 5-8, www.albemarle.org/upload/images/Forms_Center/Departments/County_Attorney/Forms/LUchapter05-dillonrule.pdf. Accessed 19 June 2019.

²⁰¹ Thus, Virginia's "inclusionary zoning," is a purely incentive-based system. Va. Code § 15.2-2304 allows the Counties of Albemarle, Arlington, Fairfax, and Loudoun; and the Cities of Alexandria and Fairfax the freedom to create ordinances without restrictions on set-asides, density bonuses, depth of affordability or extent of incentives. However, Charlottesville is governed by Va. Code § 15.2-2305, which sets forth a restrictive formula with caps on incentives and mechanisms for regulations.

²⁰² Richardson, Jesse J., Jr., et al. "Is Home Rule the Answer? Clarifying the Influence of Dillon's Rule on Growth Management," *The Brookings Institution*, Jan. 2003, www.brookings.edu/wp-content/uploads/2016/06/dillonsrule.pdf. Accessed 19 June 2019.

²⁰³ Va. Code §§ 15.2-2304, 15.2-2305.

²⁰⁴ Va. Code § 15.2-2305.

²⁰⁵ See proposed bills, HB 1670 adding Richmond and Charlottesville added to the list to provide affordable dwelling unit program (2019 session); and SB 290, repealing Va. Code § 15.2-2305 and standardizing § 15.2-2304 for the entire state (2018 session). For example, Arlington is one of the enumerated cities permitted to use more flexible zoning practices to encourage affordable housing. It has successfully overlaid inclusionary zoning regulations over existing zoning ordinances in designated geographic areas to provide additional incentives for developers to build affordable housing. Although the City Attorney has pointed out that her interpretation of the law prohibits current city councils from obligating future city councils, this City council can announce a commitment today that must be affirmatively abandoned by future councils.

²⁰⁶ "Eviction Ranking," *Eviction Lab*, <https://evictionlab.org/rankings/#/evictions?r=United%20States&a=0&d=evictionRate&lang=en>. Accessed 25 Oct. 2019.

²⁰⁷ See generally "Campaign to Reduce Evictions" *Campaign to Reduce Evictions*, <https://www.reduceevictions.org>. Accessed 25 Oct. 2019.

²⁰⁸ See e.g., "Eviction Process" *San Francisco Tenants Union*, <https://www.sftu.org/eviction/>. Accessed 25 Oct. 2019.

²⁰⁹ Carty, Patrick J. "Preventing Homelessness: Rent Control or Rent Assistance." *Notre Dame Journal of Law, Ethics, and Public Policy*, vol. 4, no. 2, 1989, p. 365-383, scholarship.law.nd.edu/ndjlepp/vol4/iss2/8. Accessed 19 June 2019.

²¹⁰ Va. Code § 55-248.1, Repealed.

²¹¹ "Frequently Asked Questions: Rent Control." *New York City Rent Guidelines Board*, 2019, www1.nyc.gov/site/rentguidelinesboard/resources/rent-control.page. Accessed 19 June 2019.

²¹² “Fact Sheet: #1 Rent Stabilization and Rent Control,” *New York State Division of Housing and Community Renewal Office of Rent Administration*, Dec. 2018, hcr.ny.gov/system/files/documents/2019/03/fact-sheet-1-sj-final-12-19-18.pdf. Accessed 19 June 2019.

Any rent control bill should be coupled with strict requirements to provide safe and adequate conditions. See e.g., Ashford, Grace and Kim Barker. “18 Bills with One Goal: Bad-Landlord Crackdown.” *The New York Times*, Nov. 28, 2018, www.nytimes.com/2018/11/28/nyregion/city-council-tenant-protections-nyc.html. Accessed 19 June 2019.

²¹³ Harland Bartholomew & Associates. “A Preliminary Report,” p. 82, 90.

²¹⁴ Hays, Emily. “Pilgrimage to Begin With Film Screening on Lynching,” *Cville Tomorrow*, July 5, 2018, <https://www.cvilletomorrow.org/articles/pilgrimage-to-begin-with-film-screening-on>. Accessed October 11, 2019.

²¹⁵ Levy, Diane K., Jennifer Comey, and Sandra Padilla. “In the Face of Gentrification: Case Studies of Local Efforts to Mitigate Displacement.” Washington, DC: The Urban Institute, 2006, <https://www.urban.org/sites/default/files/publication/50791/411294-In-the-Face-of-Gentrification.PDF>

²¹⁶ See: “Defining Housing Affordability.” *HUD USER*, 12 December, 2019. <https://www.huduser.gov/portal/pdredge/pdr-edge-featd-article-081417.html>; “FY 2019 Income Limits Documentation System.” *HUD USER*. 12 December, 2019; <https://www.charlottesville.org/home/showdocument?id=65589>

²¹⁷ Neighborhood Development Services. “Current Income Limits,” *Housing and Grants*. Charlottesville, VA: The City of Charlottesville. 2019. <https://www.charlottesville.org/departments-and-services/departments-h-z/neighborhood-development-services/housing-grants/current-income-limits>

²¹⁸ Neighborhood Development Services. “Current Income Limits,” *Housing and Grants*. Charlottesville, VA: The City of Charlottesville. 2019. <https://www.charlottesville.org/departments-and-services/departments-h-z/neighborhood-development-services/housing-grants/current-income-limits>.

²¹⁹ The Novak Consulting Group. *City of Charlottesville Neighborhood Development Services Review Report*, February 9, 2018, <http://www.charlottesville.org/home/showdocument?id=61299>, Accessed 12 Dec. 2019.

²²⁰ A Source of Income bill was presented in the 2018 session of the Virginia General Assembly but did not survive the session. See: Virginia State, Legislature. Senate Bill No. 909. *A BILL to amend and reenact §§ 36-96.1, 36-96.1:1, and 36-96.3 of the Code of Virginia, relating to the Virginia Fair Housing Law; unlawful discriminatory housing practices*, 19 January, 2018, <https://lis.virginia.gov/cgi-bin/legp604.exe?181+sum+SB909>. See Also: Domonoske, Camila. “Denying Housing Over Criminal Record May Be Discrimination, Feds Say.” *NPR*. April 4, 2016. <https://www.npr.org/sections/thetwo-way/2016/04/04/472878724/denying-housing-over-criminal-record-may-be-discrimination-feds-say>; and see “Source of Income Discrimination.” *NYC Human Rights*. 12 December, 2019, <https://www1.nyc.gov/site/cchr/media/source-of-income.page>. Accessed 24 Jan. 2020.

²²¹ “Thomas Jefferson Region of Virginia Analysis of Impediments to Fair Housing Choice.” *The City of Charlottesville*, Thomas Jefferson Planning District Commission, Jan. 19, 2019, p. 39, <https://www.charlottesville.org/home/showdocument?id=64099>. Accessed 12 Dec. 2019.

²²² See Freeman, Lance. “The Impact of Source of Income Laws on Voucher Utilization and Locational Outcomes.” *Assisted Housing Research Cadre Report*, Feb. 2011, https://www.huduser.gov/publications/pdf/freeman_impactlaws_assistedhousingrcr06.pdf. Accessed 12 Dec. 2019. See Also: Bell, Alison, Barbara Sard, and Becky Koepnick. “Prohibiting Discrimination Against Renters Using Housing Vouchers Improves Results: Lessons from Cities and States That Have Enacted

Source of Income Laws.” Washington DC: Center on Budget and Policy Priorities, Dec. 20, 2018, <https://www.cbpp.org/sites/default/files/atoms/files/10-10-18hous.pdf>. Accessed 24 Jan. 2020.

²²³ Bell, Alison, Barbara Sard, and Becky Koepnick. “Prohibiting Discrimination Against Renters Using Housing Vouchers Improves Results: Lessons from Cities and States That Have Enacted Source of Income Laws.” Washington DC: Center on Budget and Policy Priorities, Dec. 20 2018. <https://www.cbpp.org/sites/default/files/atoms/files/10-10-18hous.pdf>.

²²⁴ Blanket criminal history denials do violate the Fair Housing Act according to a guidance from the Housing and Urban Development office of general counsel. However, adding clarity with a local ordinance can be useful for landlords and advocates. “Office of General Counsel Guidance on Application of Fair Housing Act Standards to the Use of Criminal Records by Providers of Housing and Real Estate-Related Transactions.” Washington DC: U.S. Department of Housing and Urban Development, Apr. 4, 2016, https://www.hud.gov/sites/documents/HUD_OGCGUIDAPPFHASTANDCR.PDF.

²²⁵ Hamlin, Madeleine. “In Chicago, Another Public Housing Experiment: Prisoner Reentry,” CITYLAB, Aug. 10, 2017, <https://www.citylab.com/equity/2017/08/in-chicago-another-public-housing-experiment-prisoner-reentry/535947/>.

²²⁶ “Non-Discrimination Laws.” *Movement Advancement Project*. http://www.lgbtmap.org/equality-maps/non_discrimination_laws. Accessed 12 Dec. 2019.

²²⁷ HUD’s prohibition on discrimination includes all public housing, multi-family housing, and shelter programs. See: The Department of Housing and Urban Development. “Equal Access to Housing in HUD’s Native American and Native Hawaiian Programs – Regardless of Sexual Orientation or Gender Identity.” Fed. Reg. Vol. 81 No. 222, Nov. 17, 2016, <https://www.nhlp.org/wp-content/uploads/2017/10/Equal-Access-Native-American-Programs.pdf>; United States, Department of housing and Urban Development Office of Hearings and Appeals. *Charging Party v. George Toone and In Toone Services LLC*. FHEO Charge No.s 06-12-113-8; 06-12-1363-8 (2013), [http://nhlp.org/files/FN%202077%20Charge%20of%20Discrimination,%20HUD%20v.%20Toone%20%20In%20Toone,%20Servs,%20LLC%20\(Aug.%2015,%202013\).pdf](http://nhlp.org/files/FN%202077%20Charge%20of%20Discrimination,%20HUD%20v.%20Toone%20%20In%20Toone,%20Servs,%20LLC%20(Aug.%2015,%202013).pdf).

²²⁸ “Local Non-Discrimination Ordinances.” *Movement Advancement Project*. http://www.lgbtmap.org/equality-maps/non_discrimination_ordinances. Accessed 12 Dec. 2019.

²²⁹ “§ 15.2-7501. Creation of land bank entities by localities.” Virginia’s Legislative Information System, 2019, <https://law.lis.virginia.gov/vacode/title15.2/chapter75/section15.2-7501/>.

²³⁰ Abdelazim, Tarik. “How to Fund Land Banks.” *Shelterforce: The Voice of Community Development*, 13 November, 2018. <https://shelterforce.org/2018/11/13/how-to-fund-land-banks/>

²³¹ “§ 15.2-7501. Creation of land bank entities by localities.” Virginia’s Legislative Information System, 2019, <https://law.lis.virginia.gov/vacode/title15.2/chapter75/section15.2-7501/>.

²³² Abdelazim, Tarik. “How to Fund Land Banks.” *Shelterforce: The Voice of Community Development*, 13 November, 2018. <https://shelterforce.org/2018/11/13/how-to-fund-land-banks/>

²³³ Davis, John E. White, Kirby, ed. “Origins and Evolutions of the Community Land Trust in the United States.” *National Community Land Trust Network*, 2011, https://groundedsolutions.org/sites/default/files/2018-10/Community%20Land%20Trust%20Technical%20Manual_0.pdf#page=7.

²³⁴ “Community Land Trust.” *Grounded Solutions Network*, 12 December, 2019, <https://groundedsolutions.org/strengthening-neighborhoods/community-land-trusts>.

²³⁵"History." *Dudley Street Neighborhood Initiative*, 12 December, 2019. <https://www.dsni.org/dsni-historic-timeline/>

²³⁶"Recently Sold." *Thomas Jefferson Community Land Trust*, 12 December, 2019, <https://tjclt.org/recently-sold/>

²³⁷Zonta, Michela. "Community Land Trust: A Promising Tool for Expanding and Protecting Affordable Housing." *Center for American Progress*, June 2016, <https://cdn.americanprogress.org/wp-content/uploads/2016/06/14141430/CommunityLandTrusts-report.pdf>

²³⁸"Connected Communities: Linking Affordable Housing and Transportation." *HUD USER*, 12 December, 2019, https://www.huduser.gov/portal/pdredge/pdr_edge_research_071414.html.

²³⁹"Housing Needs Assessment Socioeconomic and Housing Market Analysis." Washington DC: Form-Based Codes Institute: A Program of Smart Growth America, 4 April, 2018, p. 11, <https://www.charlottesville.org/home/showdocument?id=62034>.

²⁴⁰Creasy, Missy. Letter to Charlottesville Planning Commission. 21 August 2018. Website. <https://www.charlottesville.org/home/showdocument?id=62607>.

²⁴¹Dorsey, Sherrell. "Making Community Benefits Agreements Count." *Shelterforce: The Voice of Community Development*, 21 October, 2016, <https://shelterforce.org/2016/10/21/making-community-benefits-agreements-count/>.

²⁴²De Barbieri. E.W. (2016). Do communities benefit agreements benefit communities? *Cardozo Law Review* (37) 1773-1825

²⁴³Dorsey, Sherrell. "Making Community Benefits Agreements Count." *Shelterforce: The Voice of Community Development*, 21 October, 2016, <https://shelterforce.org/2016/10/21/making-community-benefits-agreements-count/>.

²⁴⁴See: "Housing an Inclusive Denver: Setting Housing Policy, Strategy & Investment Priorities (2018-2023)." *Denver: The Mile High City*, 12 December, 2019. https://www.denvergov.org/content/dam/denvergov/Portals/690/Housing/HousingInclusiveDenver_FINAL_020918.pdf; "§ 27-47. Federal preservation projects—Notice and purchase opportunities." Denver: Code of Ordinances, 12 December, 2019. http://denver-co.elaws.us/code/coor_ch27_artiii_sec27-47

