

APRIL 15, 2020

# TOWN OF DUMFRIES

## HOUSING ANALYSIS

**AECOM**

# 1 INTRODUCTION

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## 1.1 BACKGROUND

The Town of Dumfries has a long history as one of the oldest continuously chartered towns in the Commonwealth of Virginia. After its inception in 1749 on 60 acres of land at the head of the Quantico Creek harbor, Dumfries soon became the second leading port on the east coast.<sup>1</sup> The population largely remained constant at less than 1,000 people until the 1960s. Due to an annexation in 1966, the geographical size of Dumfries increased, as did the population. Since the 1960s, and on par with the growth of Northern Virginia, population has steadily increased — and the Town’s population has grown to its current size of more than 5,000 people. Diversity of residents has increased as well, and today the Town is a “majority-minority” community.

Development regulation in the Town started in 1979, when Dumfries developed and approved its first zoning ordinance. Last updated in 2012, the zoning code is largely responsible for the current form of Dumfries as a low-density community with strip retail and predominantly single-family detached and attached housing units. More recently, in 2014, the Town issued its first Comprehensive Plan, a forward-looking future land use plan. While the Comprehensive Plan seeks to orient development towards infill parcels with increased uses and density, the trend is only slowly reversing. Single-family housing has been the predominant form of residential development and still comprises the majority of housing stock in Dumfries today.

While Dumfries offers some of the most financially attainable housing opportunities in Northern Virginia, its housing sector still faces affordability and other challenges. To address these challenges, the Town applied for and was awarded a community impact grant from the Virginia Housing Development Authority (VHDA) in June of 2019. This grant is meant to provide resources to local governments “towards community revitalization” and “encourages the development of mixed-use/mixed-income properties, which often anchor community development efforts and spur economic growth.”<sup>2</sup> This analysis fulfills one of the major goals of the Town as stated in the grant application, namely, to make feasible recommendations for affordable and inclusive housing plans and policies.

The analysis presented in this report is part of a broader project that seeks to lay the groundwork for creating a walkable town center along Main St. in Dumfries. The project will look at ways to achieve goals of mixed-use and higher intensity development, and this supporting analysis is expected to recommend policies will support the inclusion of affordable and more diverse housing as part of a new town center. Recommendations and findings from this analysis will also inform updates to sections of the Town’s Comprehensive Plan and Zoning Code.

## 1.2 CURRENT VISION

Last revised and reaffirmed by the Town Council in 2018, the current vision for the Town as a whole identifies Dumfries as a “Small Town, Big Difference.”<sup>3</sup> It celebrates the Town’s young and diverse

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<sup>1</sup> Town of Dumfries. History. (<http://www.dumfriesva.gov/about-the-town/history/>)

<sup>2</sup> VHDA. Grant Program Areas. (<https://www.vhda.com/BusinessPartners/GovandNon-Profits/CommunityOutreach/Pages/Grant-Program-Areas.aspx#.XZXmkIxKiUk>)

<sup>3</sup> Town of Dumfries. Vision Statement. (<http://www.dumfriesva.gov/wp-content/uploads/2030-Vision-Statement.pdf>)

population, appreciates the surrounding natural environment, encourages investment in the town and community, and generally has a positive outlook on the future of the town as a great place to live and play.

The 2014 Comprehensive Plan has more a specific goal for housing, which is to “promote the development of decent, safe, and affordable housing.” Policies and action strategies support the implementation of this goal. Both goals are related to upgrading and renovating or more generally preserving the housing stock of Dumfries.

In the VHDA grant application, the Town states that it currently desires to “regulate growth to encourage a livable, diverse, and healthy environment.”<sup>4</sup> More specific to housing, the Town wishes to identify ways to protect and promote affordable and inclusive housing that meets the needs of current and future residents.

These components provide a strong foundation for guiding this analysis and its subsequent recommendations. As part of this project, two public engagement workshops will be held, the first of which will ask residents to help refine specific housing goals for the future. It is expected that the findings from community outreach and this report will result in updates to the Comprehensive Plan and Zoning Code which will enable the development of inclusive and affordable housing solutions.

### 1.3 OVERVIEW OF REPORT AND STRUCTURE

This report presents analysis of key demographics, current housing inventory, affordability, and diversity of housing supply. Beyond understanding the demographics of current residents, it seeks to answer the Town’s questions of whether the current housing supply meets the needs of residents in unit type, tenure, and cost; what housing types are feasible *and* would fill gaps to match the supply to the need; and what goals the Town should set for achieving housing diversity and affordability. To provide context, the Town of Dumfries is benchmarked for comparison against Prince William County, the Northern Virginia (NoVa) region as a whole,<sup>5</sup> and the US.

#### Report sections –

- I. **Introduction** – this chapter.
- II. **Current demographics**

This section documents the Town’s key demographics to better understand the current residents, how their characteristics may have changed in the last eight to ten years, and how they compare to the demographics of nearby comparative areas. Key demographics include:

- Population
- Age distribution
- Population Diversity
- Education levels

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<sup>4</sup> Town of Dumfries. VHDA Community Impact Grant Application. June 2019.

<sup>5</sup> Northern Virginia includes Arlington, Fairfax, Loudoun, and Prince William counties; and Alexandria, Fairfax, Falls Church, Manassas, and Manassas Park cities

- Employment + Industry
- Commuting
- Household incomes
- Poverty Status

### **III. Current housing inventory**

This section documents the amount, type, tenure, and value of housing in the Town of Dumfries. It also considers affordability and housing needs as determined by household size and composition. Key characteristics include:

- Housing Types - including number of dwelling units (DUs) and year built
- Housing Tenure (ownership and rental)
- Home values
- Rental values
- Mortgage/Rent burden
- Household size/composition

### **IV. Housing Affordability**

This section looks at what is affordable for current residents of Dumfries, and what would be affordable for future residents. It considers whether the current supply meets the needs of current residents, and what forms will meet the future needs of residents. The section also looks at policies that will support affordable housing.

## 2 CURRENT DEMOGRAPHICS

This section looks at the current demographics of Dumfries with consideration for recent trends and how the town compares to Prince William County, Northern Virginia, and the U.S. Information about Dumfries and larger benchmark regions was assembled using ACS data.

### 2.1 CURRENT STATUS

The Town of Dumfries is home to 5,234 people,<sup>6</sup> representing an increase of 5.5% from 2010. While considered steady, this growth rate is one-third of that of Prince William County, at nearly 20% in the same time period.

Looking a brief snapshot, although Dumfries has a higher median household income than the national average, it is far less than that of Prince William County and the Northern Virginia region. Less than one-quarter of residents have a bachelor's degree, which is half the level of higher educational attainment found in Prince William County. However, residents are younger, and more likely to be employed. Home values are less than all other locations used for comparison.

	Dumfries	Prince William County	NoVA	US
Population	5,234	468,011	2,522,001	327,167,434
Median Household Income	\$62,303	\$101,059	\$106,870	\$57,652
Education (bachelor's and above)	17.60%	39.80%	55.00%	30.90%
Median Home Value	\$189,300	\$358,300	\$501,900	\$193,500
Employed (in labor force)	74.10%	71.70%	74.00%	63.00%
Median Age	30.4	34.7		37.8

*Note: NoVa=Northern Virginia, defined as the counties of Arlington, Fairfax, Loudoun, and Prince William and the Cities of Fairfax, Manassas, Manassas Park, and Alexandria.*

*Source: 2018 American Community Survey – Annual Population Estimates*

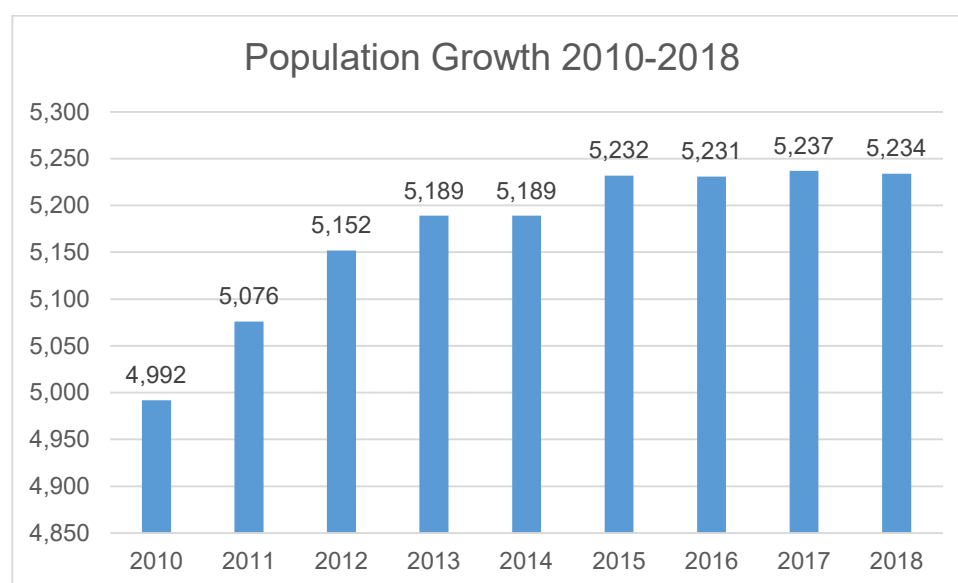
<sup>6</sup> ACS - Population estimates, July 1, 2018, (V2018)

### 2.1.1 POPULATION

Despite consistent population growth, Dumfries has grown slower than all other comparative locations, except the US. Looking more closely, population growth in Dumfries was greatest between 2010 and 2012, with marginal growth particularly since 2015. Population growth can still likely be linked to the broader growth patterns of Prince William County and Northern Virginia as a whole. Prince William is the fourth fastest growing county in the Commonwealth of Virginia and grew by 43% from 2000 to 2010.<sup>7</sup> Northern Virginia also had high growth from 2000 to 2010, at 23%, dwarfing the nation's 9.4% growth.<sup>8</sup>

	Dumfries	Prince William County	NoVA	US
Population 2018	5,234	468,011	2,522,001	327,167,434
Population 2010	4,961	401,997	2,230,600	308,758,105
Percent change 2010-2018	5.50%	16.40%	16.00%	6.00%

Source: 2018 American Community Survey – Annual Population Estimates



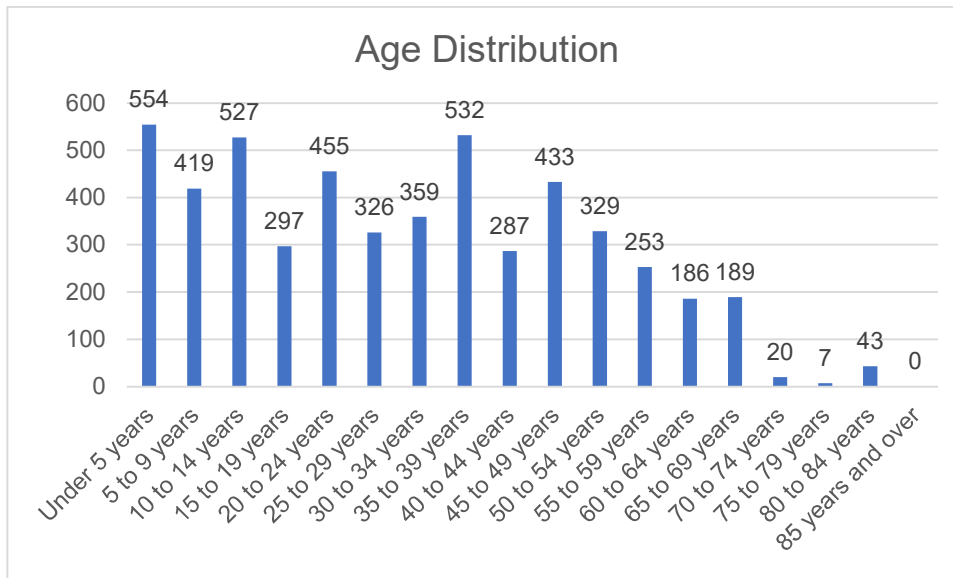
Source: 2018 American Community Survey – Annual Population Estimates

### 2.1.2 AGE DISTRIBUTION

Dumfries has a relatively young population, with one-third of residents under 20 years of age. Two-thirds are under 40 years of age. Residents aged 65 or older only comprise 5% of the total population. Dumfries residents have a median age of 30 years of age, lower than Prince William County and the Northern Virginia region.

<sup>7</sup> Prince William County Department of Economic Development. (<http://www.pwcecondev.org/demographics>)

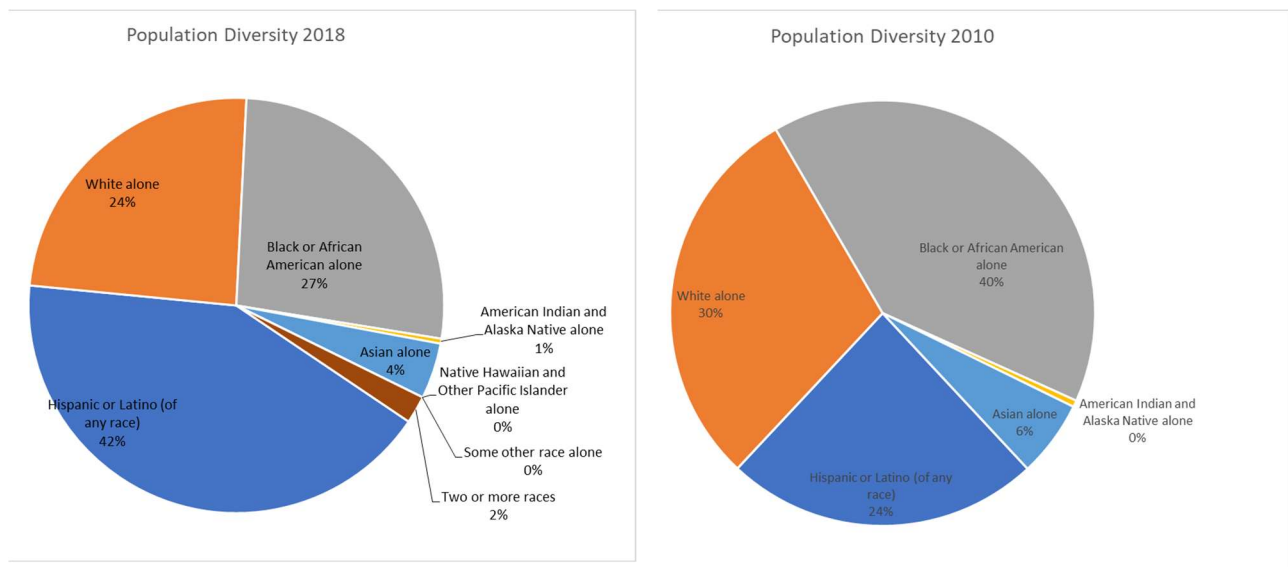
<sup>8</sup> Northern Virginia Regional Commission. 'Northern Virginia Population Growth.' (<https://www.novaregion.org/229/Northern-Virginia-Population-Growth>)



Source: 2013-2017 American Community Survey 5-Year Estimates

### 2.1.3 POPULATION DIVERSITY

Dumfries is a diverse and majority-minority community, with 42% of the population identifying as Hispanic and Latino (of any race) and 27% as Black or African American alone. In contrast, only 24% of the population is classified as white alone. This is a change from 2010, when Black or African Americans alone were the largest ethnic group, at 40%. Hispanic and Latinos were identified as the fastest growing minority in 2010, though at the time only comprised 24% of the population.

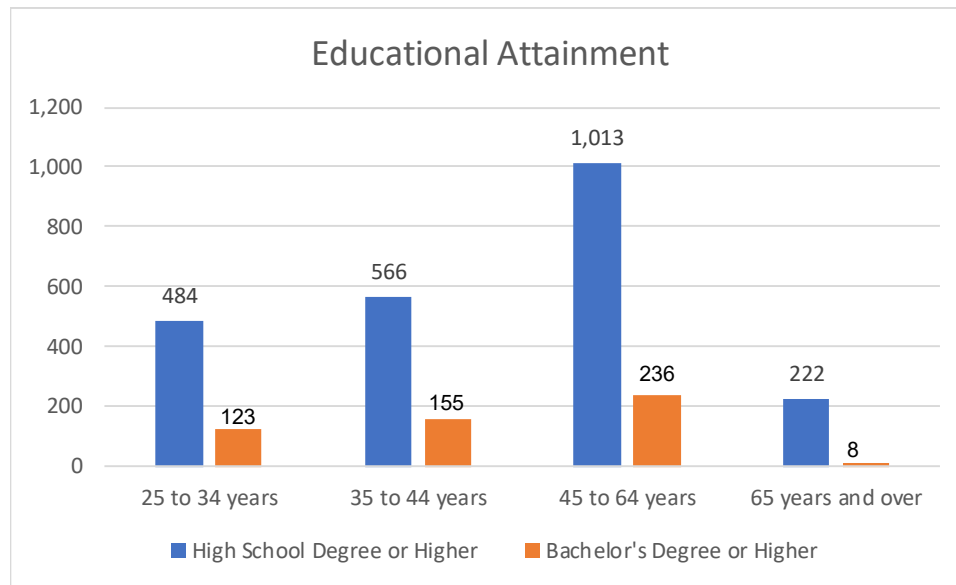


Source: 2013-2017 American Community Survey 5-Year Estimates Source: American Community Census - 2010

#### 2.1.4 EDUCATION LEVELS

While Dumfries does not have the same level of educational attainment as the broader region, there are encouraging signs that educational attainment, particularly for college, is increasing. While 77% of current residents have a high school diploma, only 17% have at least a bachelor's degree.

Encouragingly, this rate has doubled from 2010, when only 9% of residents had a bachelor's degree or higher.

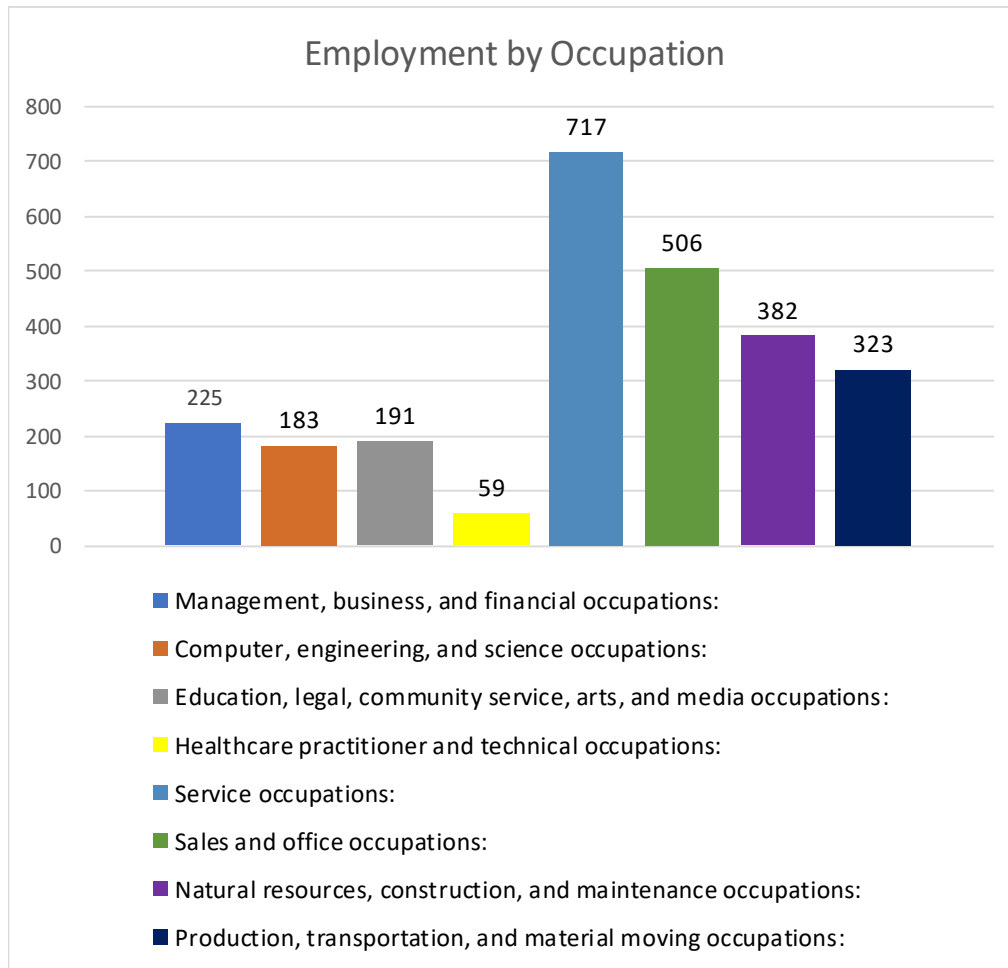


Source: 2013-2017 American Community Survey 5-Year Estimates

#### 2.1.5 EMPLOYMENT + INDUSTRY

The majority of Dumfries residents in the civilian workforce are employed in service occupations, followed by sales and office occupations; natural resources, construction, and maintenance occupations; and production, transportation and material moving occupations.

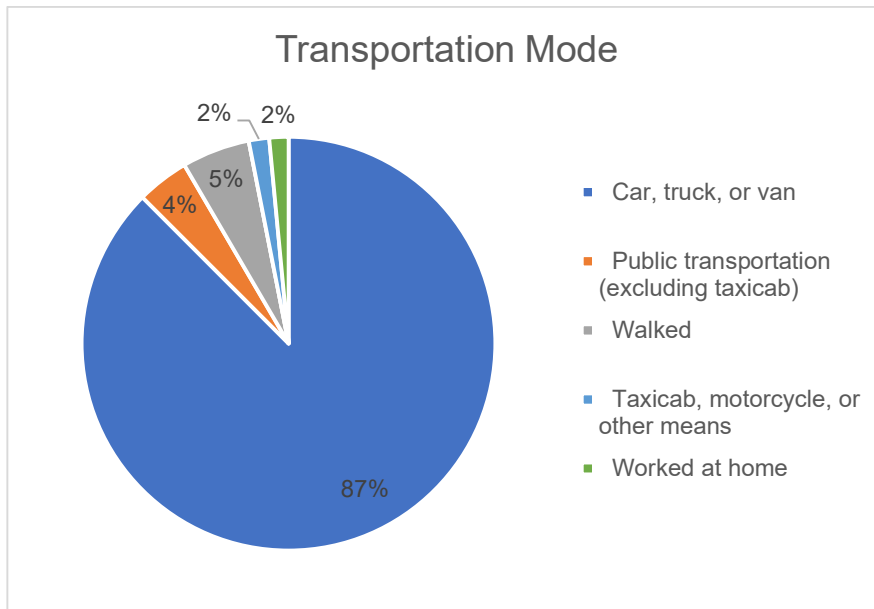




Community Survey 5-Year Estimates

### 2.1.6 COMMUTING

Commuting patterns are clearly dominated by single-occupancy vehicles, at 87% of workers living in Dumfries. Surprisingly, more people walked (5%) than took public transportation (4%); however, public transportation use may increase with the addition of a new Virginia Railway Express (VRE) station which is part of the extension of Route 234 east of Route 1. It is understood the Town is also working to increase public transportation options, including recent discussions to enhance service by the County's bus provider, OmniRide. Only 2% took a taxi or rode a motorcycle, and 2% of people worked from home.



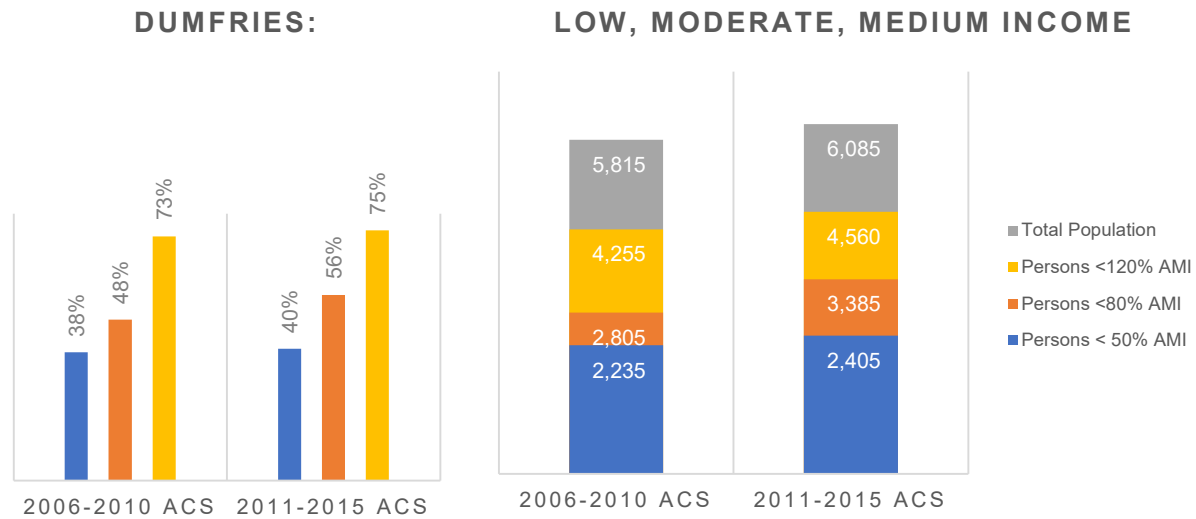
Source: 2013-2017 American Community Survey 5-Year Estimates

### 2.1.7 HOUSEHOLD INCOMES

The U.S. Department of Housing and Urban Development (HUD) periodically releases datasets addressing the topic of housing affordability at a sufficiently detailed level (block groups) to help distinguish local trends in the Town of Dumfries. The most recently released datasets are based on ACS 2006-2010 5-year estimates and 2011-2015 ACS 5-year estimates, and they provide an overview of how affordability has changed in recent years.

HUD classifies households with income less than 50% of the area median income (AMI) as low income, those between 50% and 80% AMI as moderate income, and those between 80% and 120% as medium income. Summarizing the data from the four relevant block groups in Dumfries,<sup>9</sup> the three groups have all grown in both number and share over this time period: low-income has grown from 38% to 40% of the population, moderate-income from 48% to 56%, and medium-income from 73% to 75%.

<sup>9</sup> GeolDs: 511539010011, 511539010012, 511539009011, 511539009012



Source: HUD, Low-, Moderate-, and Medium-Income Levels by Block Group.

Information about the income levels for Dumfries and larger benchmark regions (U.S., Washington D.C. Metropolitan Statistical Area (MSA), Northern Virginia (NoVa), and Prince William County) was again assembled using ACS data, as shown in the tables below. Across geographies, between 2010 and 2017 datasets, comparatively fewer households are within the \$40,000 to \$99,999 income band, which is roughly 50%-100% of the current D.C. area AMI — and most of the growth has been in the high-income categories of \$150,000 or more. In comparison, Dumfries has seen notable growth in the very low income (less than \$10,000), low-income (\$40,000 to \$60,000), and high-income (over \$150,000) bands.

Households by Income (2017)						Change 2010 - 2017					
	U.S.	MSA	NoVa	Prince William	Dumfries		U.S.	MSA	NoVa	Prince William	Dumfries
Less than \$10,000	7%	4%	3%	2%	7%	Less than \$10,000	-0.6%	0.0%	0.2%	0.1%	5.1%
\$10,000 to \$14,999	5%	2%	1%	2%	1%	\$10,000 to \$14,999	-0.7%	-0.2%	-0.1%	0.3%	-0.3%
\$15,000 to \$19,999	5%	2%	1%	2%	3%	\$15,000 to \$19,999	-0.5%	-0.2%	-0.2%	-0.3%	-2.8%
\$20,000 to \$24,999	5%	2%	2%	2%	4%	\$20,000 to \$24,999	-0.5%	-0.2%	-0.1%	0.0%	1.8%
\$25,000 to \$29,999	5%	3%	2%	2%	4%	\$25,000 to \$29,999	-0.5%	-0.1%	0.0%	0.2%	-4.2%
\$30,000 to \$34,999	5%	3%	2%	2%	3%	\$30,000 to \$34,999	-0.5%	-0.4%	-0.3%	-0.6%	-0.1%
\$35,000 to \$39,999	4%	3%	2%	3%	4%	\$35,000 to \$39,999	-0.4%	-0.5%	-0.3%	0.0%	-4.4%
\$40,000 to \$44,999	5%	3%	2%	3%	8%	\$40,000 to \$44,999	-0.4%	-0.8%	-0.7%	-0.7%	2.9%
\$45,000 to \$49,999	4%	3%	2%	3%	3%	\$45,000 to \$49,999	-0.3%	-0.6%	-0.7%	-0.8%	1.2%
\$50,000 to \$59,999	8%	6%	5%	6%	9%	\$50,000 to \$59,999	-0.5%	-1.0%	-1.0%	-1.2%	2.9%
\$60,000 to \$74,999	10%	9%	8%	9%	13%	\$60,000 to \$74,999	-0.4%	-0.9%	-1.2%	-0.5%	-4.5%
\$75,000 to \$99,999	12%	13%	12%	14%	13%	\$75,000 to \$99,999	0.0%	-1.3%	-1.5%	-2.1%	-6.7%
\$100,000 to \$124,999	9%	11%	12%	13%	10%	\$100,000 to \$124,999	0.8%	-0.1%	-0.7%	-0.2%	-2.7%
\$125,000 to \$149,999	5%	9%	10%	10%	4%	\$125,000 to \$149,999	0.9%	0.3%	0.0%	0.4%	0.9%
\$150,000 to \$199,999	6%	12%	14%	13%	7%	\$150,000 to \$199,999	1.5%	1.3%	1.0%	0.7%	5.2%
\$200,000 or more	6%	16%	21%	15%	6%	\$200,000 or more	2.1%	4.8%	5.6%	4.8%	5.6%

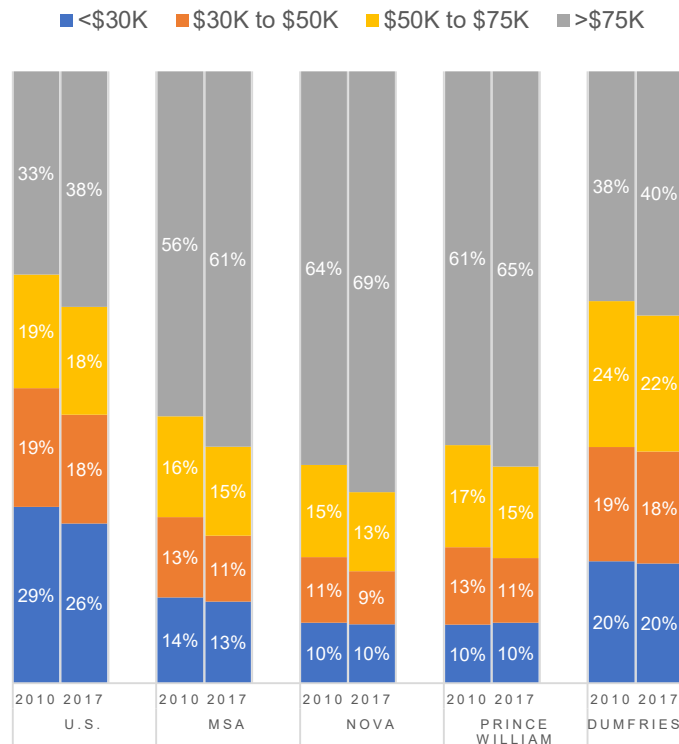
Source: ACS 2006-2010, 2013-2017, 5-year estimates

Focusing on the lower end of the above dataset, the households were collapsed into groups that approximate the HUD-defined 30%, 50%, and 80% AMI buckets—namely, household income:

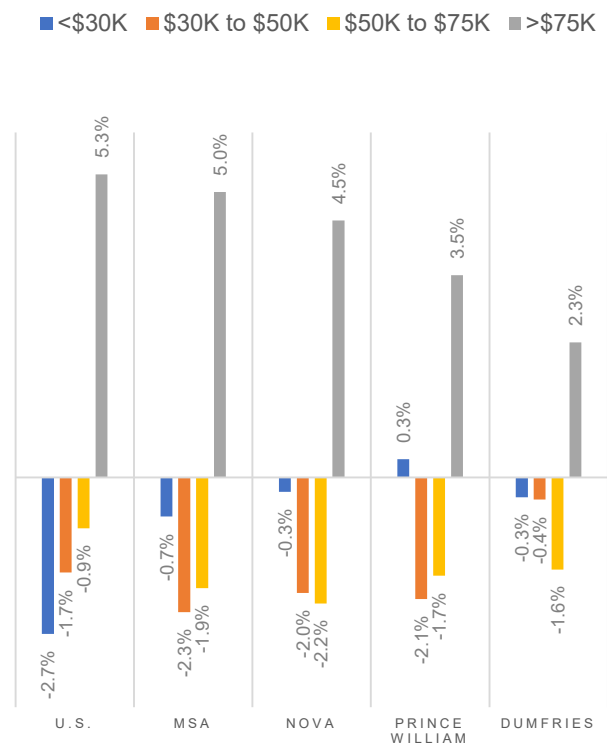
- under \$30,000
- between \$30,000 and \$50,000
- between \$50,000 and \$75,000
- over \$75,000

These new groups are shown in the charts below. While Dumfries has added households over the \$75,000 threshold between 2000-2017, this increase is proportionally far smaller than in the benchmark regions (2.2% versus 3.5% in Prince William County and 4.5% in Northern Virginia. Meanwhile, the share of households earning less than \$50,000 (i.e., roughly 50% AMI) has held nearly steady, despite wage growth and inflation over time. According to the 2013-2017 estimates, the share of Dumfries households that are earning less than \$50,000 (about 40%) is comparable to the share earning less than \$75,000 in the Virginia benchmark locations of Prince William County and the Northern Virginia regions—highlighting the financial constraints faced by many Dumfries residents. Across the household income spectrum, Dumfries' population has experienced mild "hollowing out" over middle-income ranges, while growing at the extremes (<\$10,000 and >\$150,000 annually).

## SHARE OF HH BY INCOME



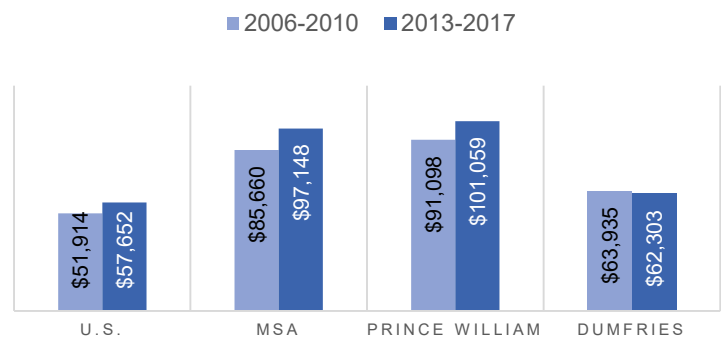
## CHANGE 2010-2017



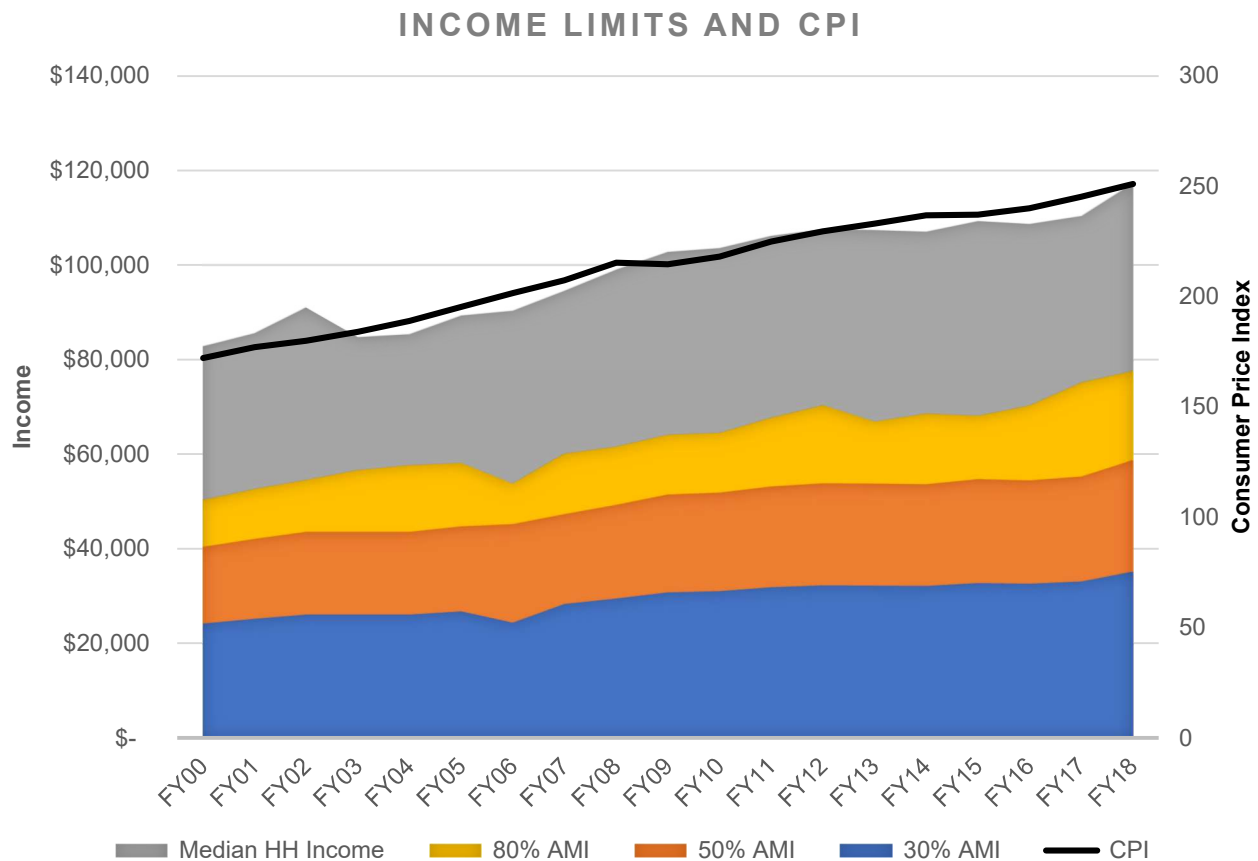
Source: ACS 2006-2010, 2013-2017, 5-year estimates

Dumfries median household income is well below the benchmark regions, as shown in the chart at right. It should be noted, however, that these data are not as reliable at this level of geographic detail, and have some problems with margin of error. Nevertheless, there are indications that the Dumfries area has not participated in the wage growth trends occurring in other parts of the region and country. The most recent data show that the Dumfries median household income is \$62,303.

## MEDIAN HH INCOME

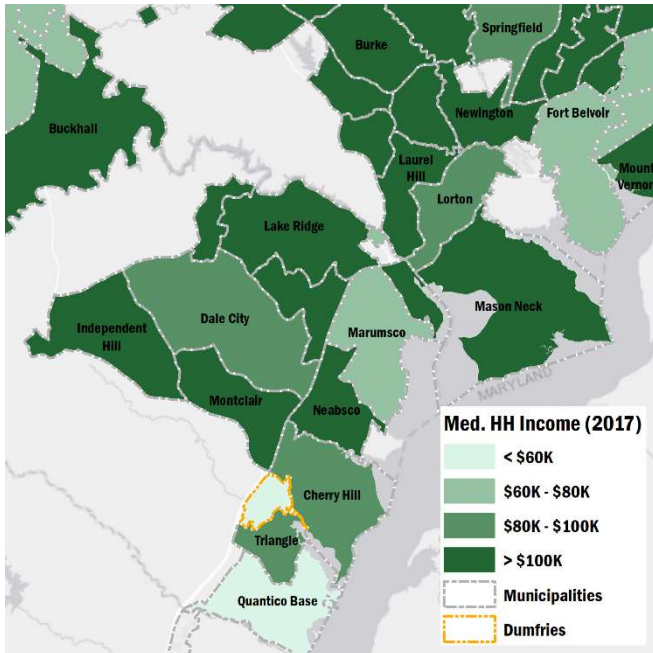


Finally, HUD-defined income limits for federally-subsidized housing programs are provided in the chart below. These income limits are shown over time from fiscal year 2000 through fiscal year 2018 and are provided alongside the Consumer Price Index (CPI) as a standard proxy for inflation. This specific dataset is for the most detailed geographic area applicable to Dumfries (Prince William County) and is applicable to a four-person household. Income limits vary by household size. Since about fiscal year 2013, inflation—as measured by the CPI—has been rising faster than the AMI, which has implications for affordability, though Prince William household incomes have recently begun to increase.

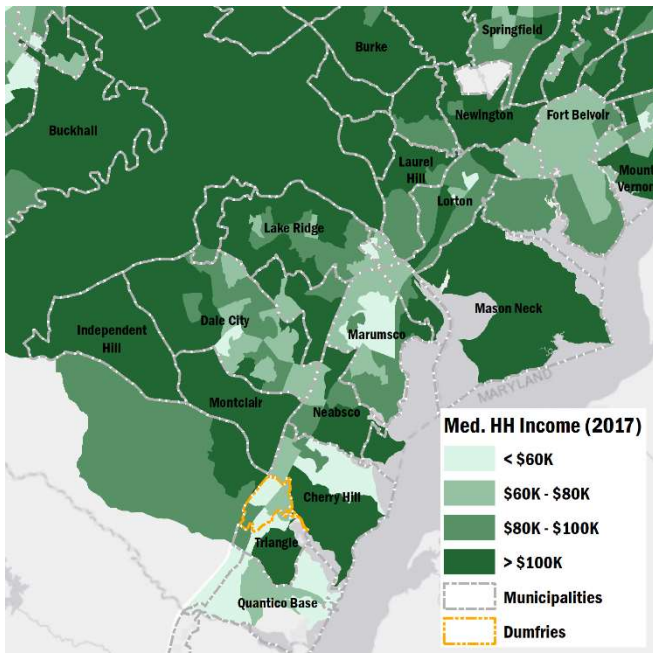
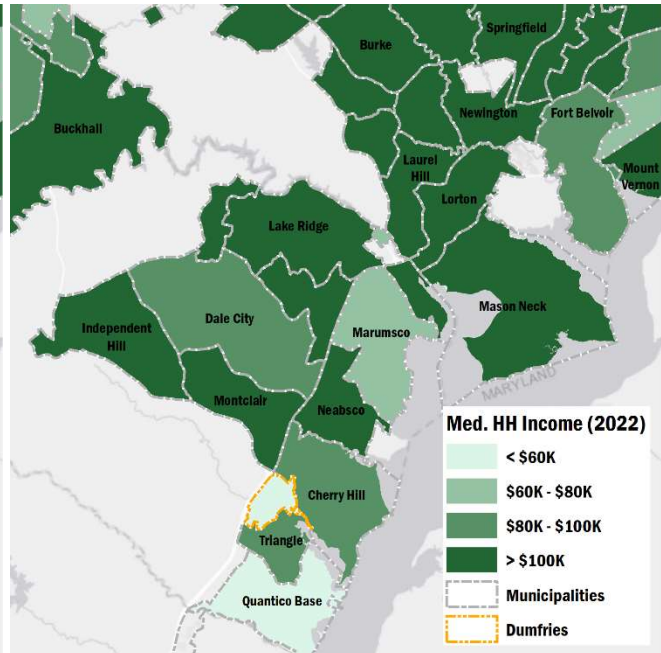


Source: HUD, Section 8 Income Limits (Prince William County, 4-person household); U.S. Bureau of Labor Statistics, Consumer Price Index.

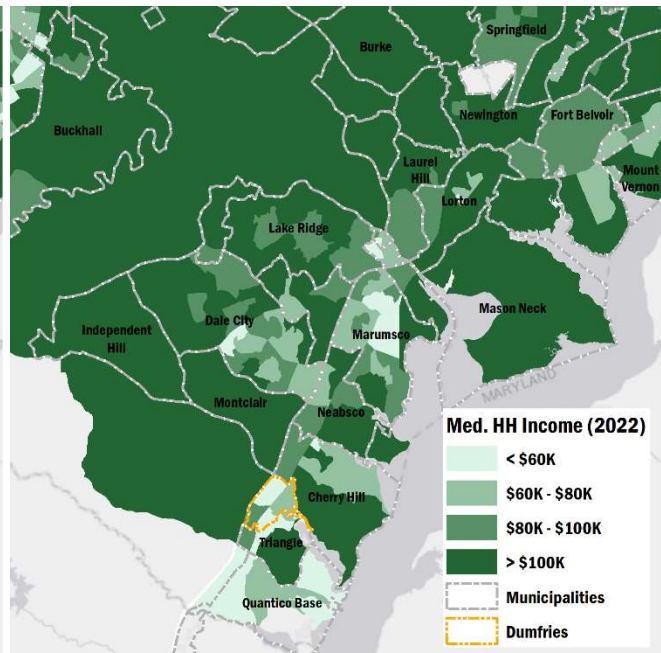
Data from Esri Business Analyst (one-year estimates based on ACS and private data sources) show that there were 728 households (45%) earning less than \$50,000 in 2017, which is approximately 50% of the MSA median household income. A further 598 households (37%) earn between \$50,000 and \$100,000, and 279 households (17%) earn over \$100,000. The median household income is reported at \$53,332 (which is less than the ACS 2013-2017 five-year estimates—\$62,303). By 2022, Esri Business Analyst projects that 272 households (44%) will be earning under \$50,000, 609 households (35%) between \$50,000 and \$100,000, and 361 households (21%) earning over \$100,000. The median household income is expected to rise 4.3% to \$55,611—a fairly small increase. The comparatively low household income in Dumfries in comparison with neighboring Census-designated places is depicted in the map below, along with more detailed definitions (Census block groups), which may straddle municipal boundaries. Note that there is less change in this portion of Northern Virginia (i.e., the southernmost part) in comparison to locations closer to Washington, D.C.



Source: Esri Business Analyst, Places (2017)



Source: Esri Business Analyst, Block Groups (2017)

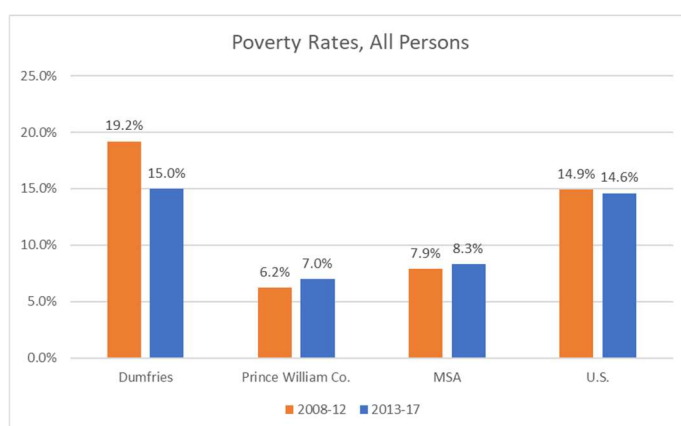
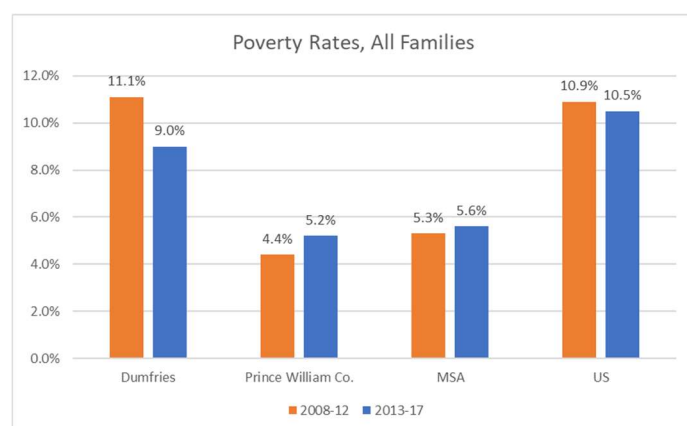




## 2.1.8 POVERTY STATUS

Another measure of household welfare is the share of families and population living under the poverty level and how this measure has changed over time. In the 2008-12 American Community Survey 5-Year Estimates, 11.1% of families in Dumfries were making less than the poverty level. In the most recent survey (2013-2017), 9% were, a significant reduction. This rate is less than the U.S. as a whole, which has 10.5% of families making less than the poverty level. However, it outpaces that of the County and MSA, areas with poverty rates at approximately 60% of that of Dumfries.

Expanding the analysis to all persons, including those not living in families, the reduction in the rate of poverty in Dumfries is even more dramatic, with a decline from 19.2% in the 2008-12 estimates to 15% in the 2013-17 estimates. This places the town on par with the U.S. as a whole, but with poverty rates above that of the County and MSA.



Source: 2013-2017 American Community Survey 5-Year Estimates



### 3 HOUSING INVENTORY

Housing costs in the Town of Dumfries are the lowest found in Northern Virginia (NoVa), but this does not mean its residents are immune from the nationwide housing affordability crisis—particularly given the high cost of housing in the NoVa market in general. Despite the correction of housing prices during the “Great Recession,” housing affordability remains a challenge in Dumfries.

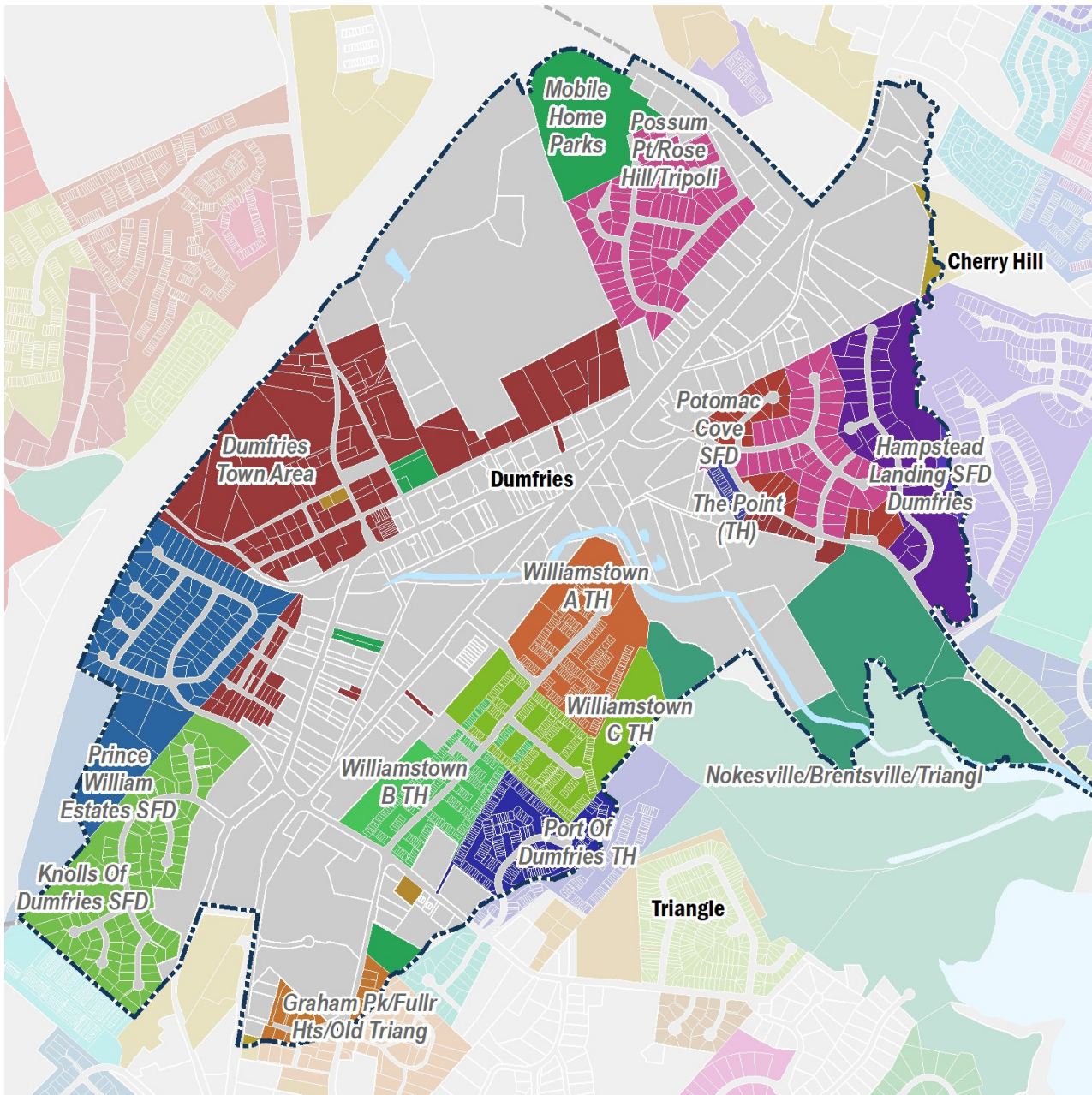
#### 3.1 CURRENT STATUS

##### 3.1.1 HOUSING TYPES

A summary of the housing stock according to Town records is provided in the table below. Some of the larger neighborhood developments are mapped on the following page, according to Prince William County assessor data.

Development Through 2014	Units	Year Built
<b>Single Family Detached &amp; Duplexes</b>		
Knolls of Dumfries	106	1985-1999
Prince Williams Estates	111	1959-1969
Rose Hill	47	1948-2011
Tripoli Heights	85	1950-2008
Whitehaven	32	1930-2005
Non-subdivision Units	172	
<b>Townhouses/Single Family Attached</b>		
Williamstown	455	1974-91
Port-O-Dumfries	190	1974-88
South Cove	217	1988-92
Lil' General	15	1966
The Point	6	2008
<b>Apartments/Multi Family</b>		
Cedar Knolls	4	1971
Boarding House	14	1933
Sunny Croft Apartments	16	1965
Garden Apartments	6	1940
Garden Apartments	8	1940-1950
<b>Mobile Homes</b>		
Grayson Village Mobile Home Park	155	1971
Quantico-Triangle Mobile Home Park	29	1930
Cedar Knolls Mobile Home Park	17	1940
Chandlers Mobile Home Park	3	1940
Phillips Mobile Home Park	19	1945
<b>Total</b>	<b>1,707</b>	

Source: Town of Dumfries records



According to Town permit records between 2014 and 2019, new housing units include three single-family dwellings and on multi-family property with 227 units in 2019, project not yet completed.

U.S. Census Bureau American Community Survey (ACS) 2013-2017 5-year estimates data were gathered for the Town of Dumfries, as well as to Prince William County and NoVa for comparison.

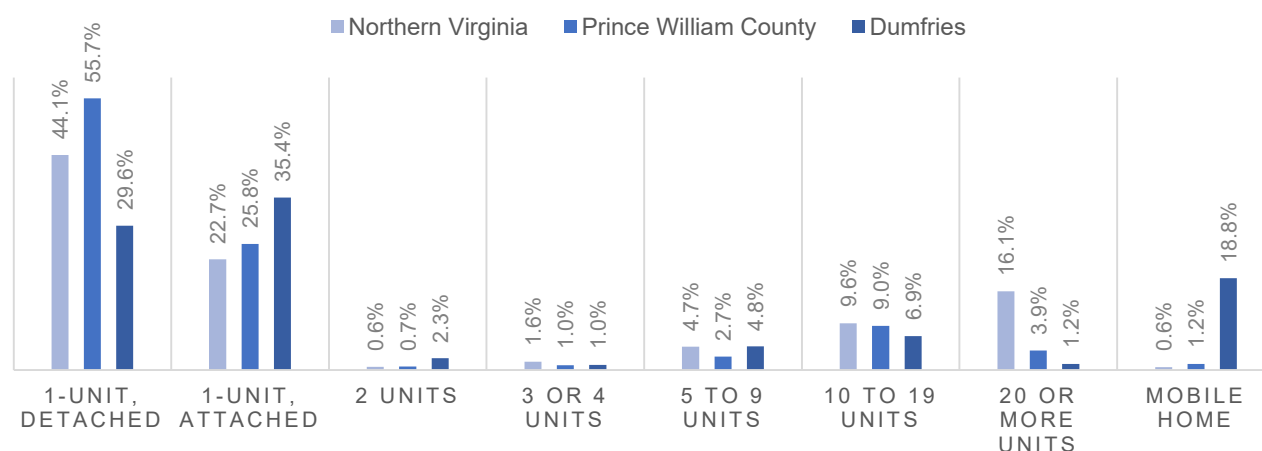
Over the past five years, Dumfries' housing stock has been growing in diversity in terms of the number of dwelling units in each structure. According to ACS 2008-2012 5-year estimates, about 90% of the Town's housing stock was found in single-family units, either attached or detached. The most recent available data shows that this proportion has shifted to 65% single-family, which is comparable to the Northern Virginia figure (67%) but below the Prince William County share of single-family units (81%).

Dumfries is unusual in that it has a higher share of attached single-family than detached, which is often supportive of greater affordability.

Mobile homes continue to comprise the second-largest share of the Dumfries housing stock (352 of 1,875 total units, or 18.8%, which is well above the 8.8% from five years prior). Northern Virginia and Prince William County each have around 1% mobile homes.

The remainder (16%) of the Dumfries's housing stock is multi-family units, most of which are located in buildings with between five and nineteen units. Dumfries has far fewer units in large multi-family developments (i.e., twenty or more units)—1% versus 16% in Northern Virginia overall.

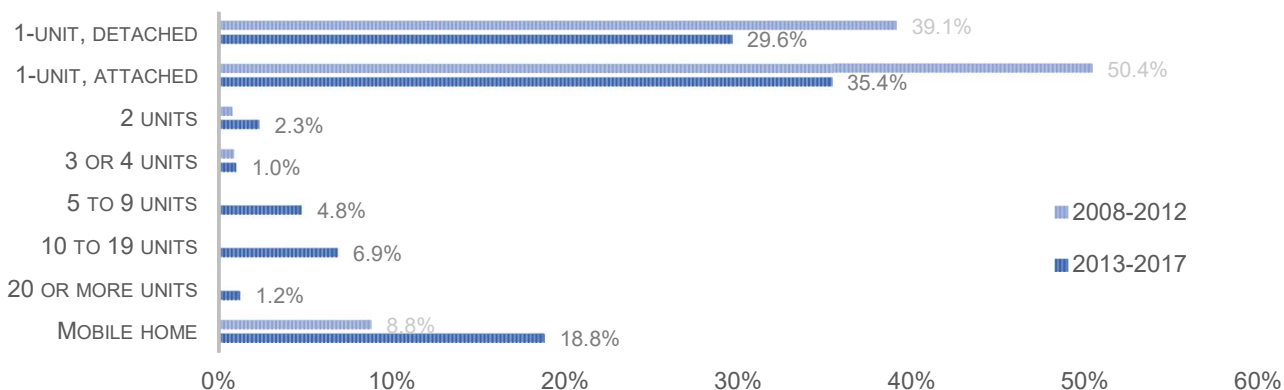
## UNITS IN STRUCTURE



Source: ACS 2013-2017, 5-year estimates

The chart below places the two data cohorts next to each other, to better illustrate the decrease in single-family residential and growth in multi-family and mobile home residential.

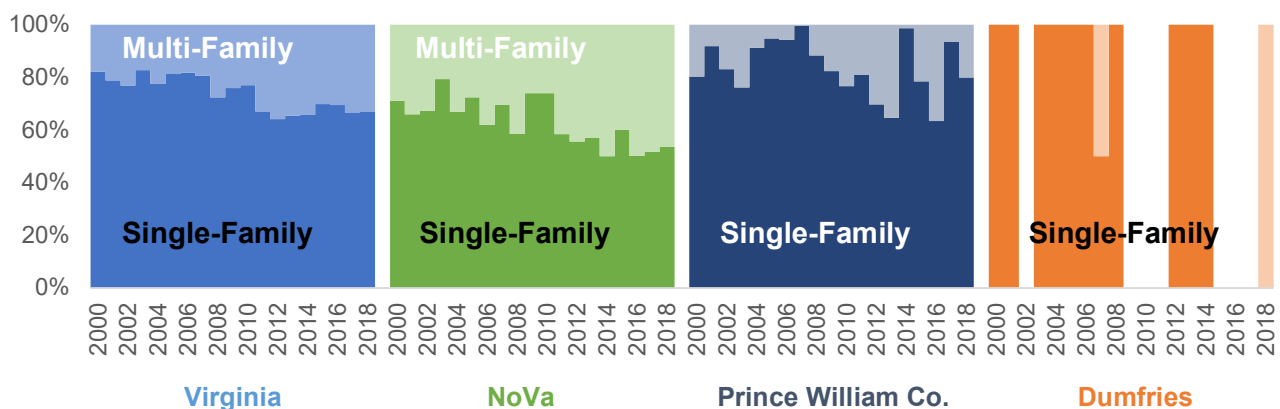
## CHANGE IN SHARE OF DWELLING UNITS BY TYPE, 2018-2017



Source: ACS 5-year estimates

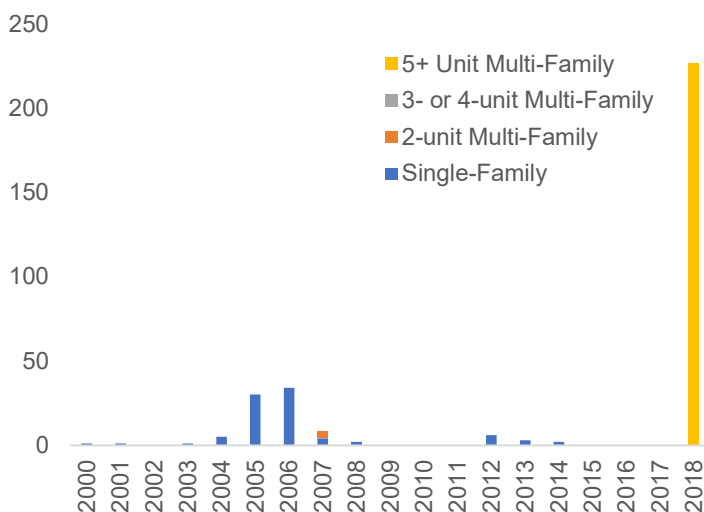
The Town reports the number of building permits issued to the U.S. Census Bureau, along with information about the type of housing unit, i.e., single-family or multi-family. The share of permitted units that are either single-family or multi-family is shown in the charts below, along with comparable datasets from benchmark regions. Regional trends are moving toward a greater share of permitted units belonging to multi-family developments—in Virginia multi-family permits made up about one-third in 2018, as against one-half in Northern Virginia (see lighter shade in the charts below). Prince William County tends to issue a higher share (about 80%) of single-family housing building permits (depicted in darker shade of chart), and since 2000, Dumfries has issued permits almost exclusively for single-family dwellings (shown in darker shade of chart).

### % OF RESIDENTIAL BUILDING PERMITS THAT ARE SINGLE-FAMILY VS. MULTI-FAMILY



Source: HUD, State of Cities Data Systems (2019)

### RESIDENTIAL BUILDING PERMITS

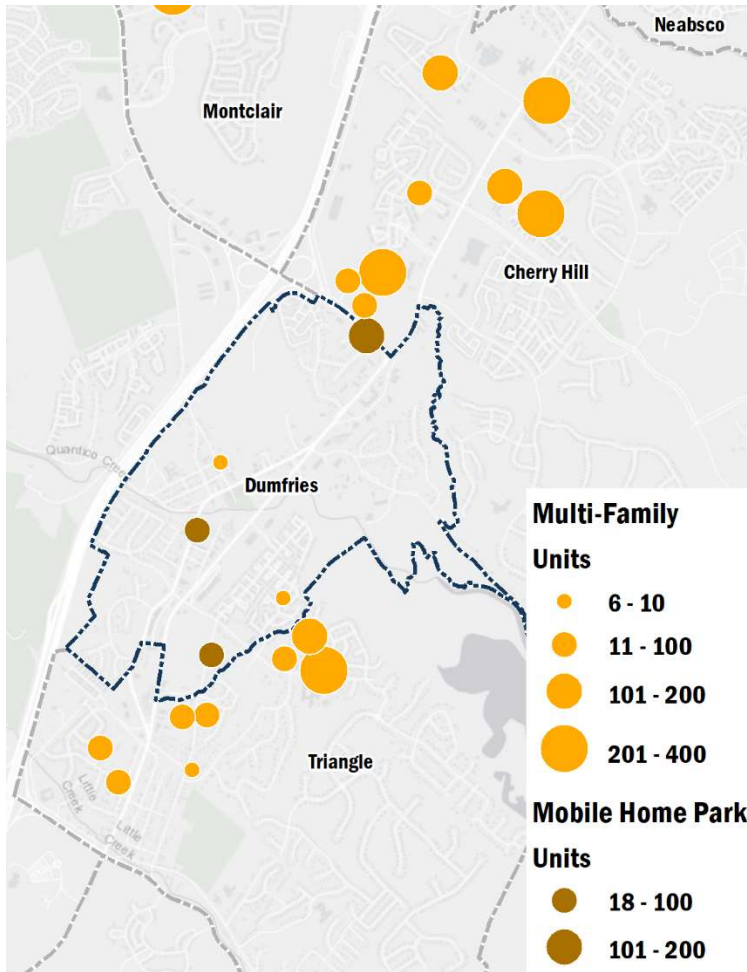


Source: HUD, State of Cities Data Systems (2019). Permits in Dumfries.

However, it should be noted that there have been very few residential building permits issued in Dumfries at all—according to this dataset, only 11 new single-family units were permitted between 2012 and 2014, and no new housing units were permitted during the years 2009 through 2011 and 2015 through 2017.

In terms of multi-family, this data source reports that four units were permitted in 2007, and 227 units were permitted in 2018 (the Townsquare at Dumfries development at 3955 Graham Park Road—an LIHTC project that will accept Section 8 Housing Choice Vouchers for households earning 60% or less of the AMI for about 20% of the units).

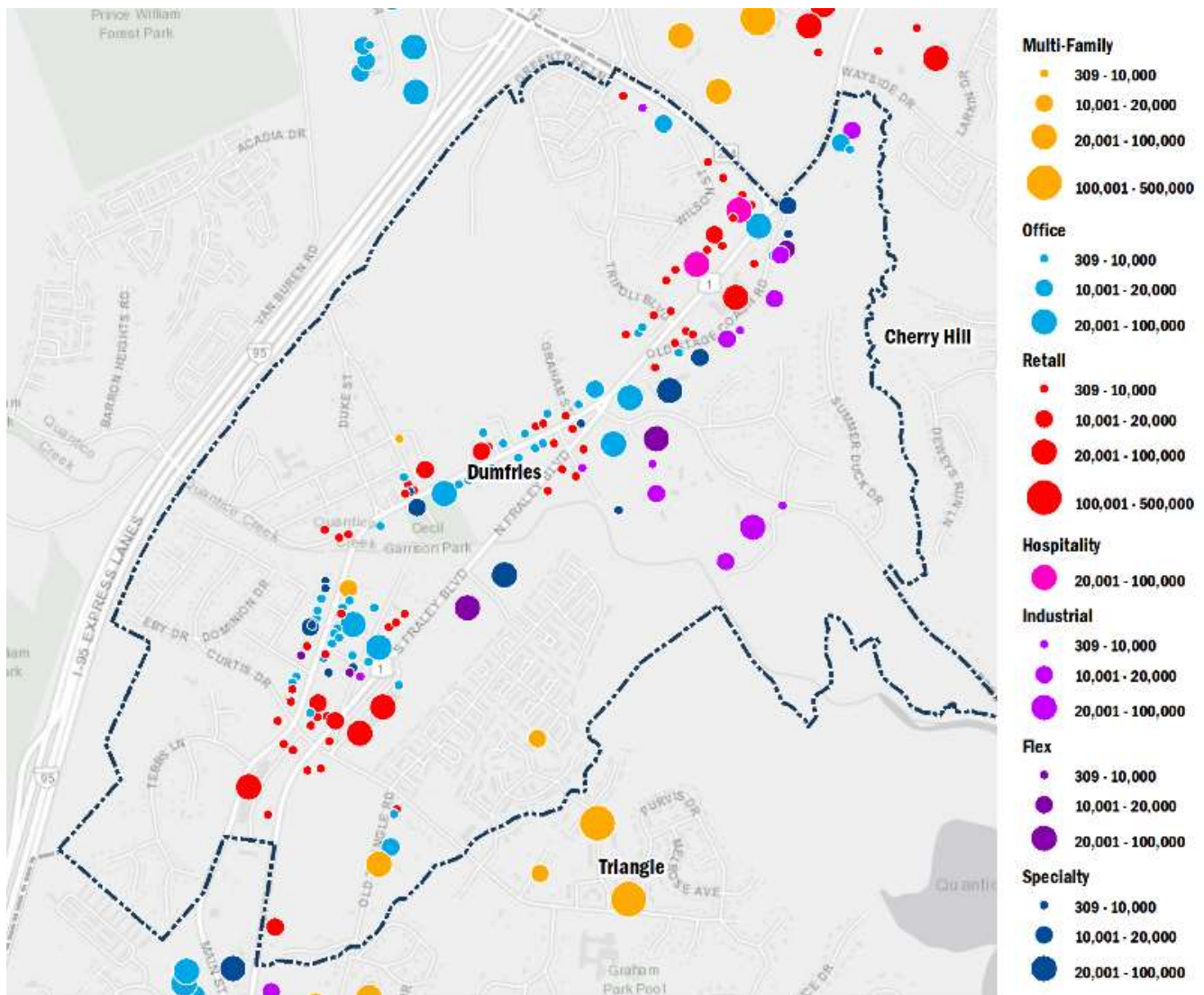




Source: CoStar (2019)

The spatial distribution of the multi-family and mobile home park housing stock according to CoStar real estate database is depicted at left. The map illustrates the presence of sizeable multi-family residential developments just outside of Dumfries, while mobile home parks make up the majority of multi-family units within the Town.

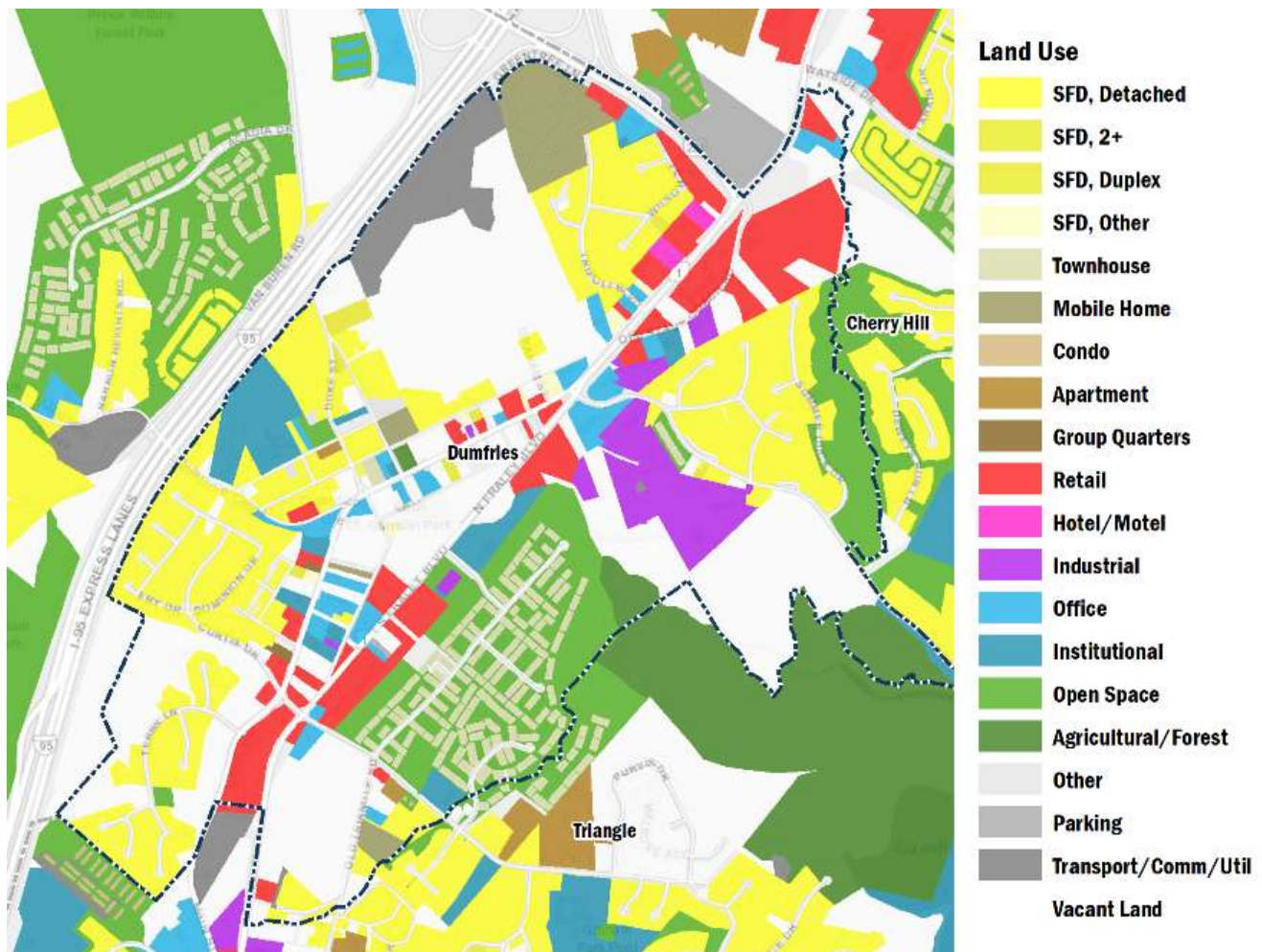
For context, the overall distribution of commercial inventory by rentable building area in square feet is provided in the map below. Commercial development primarily lines Main Street and Fraley Boulevard. Industrial and Flex properties are mostly east of Fraley Boulevard and North of Quantico Creek. Retail is centered on the intersection with Graham Park Road with Main Street and Fraley Boulevard. Properties in Dumfries are generally less than 100,000 square feet, and many are less than 10,000 square feet, serving local needs.



Source: CoStar (2019)

Note: Properties that do not cite the number of rentable square feet of building area are excluded.

As a final piece of context to the spatial distribution of the housing inventory, the current land use by parcel according to county assessor data is depicted in the map below. The white parcels are classified as vacant and comprise a large share of the Town acreage. Some plans are already in place—such as the above-mentioned Townsquare multi-family development—for existing vacant parcels, while others await infill development. The former landfill site is designated vacant but has limited redevelopment possibilities due to its former use.

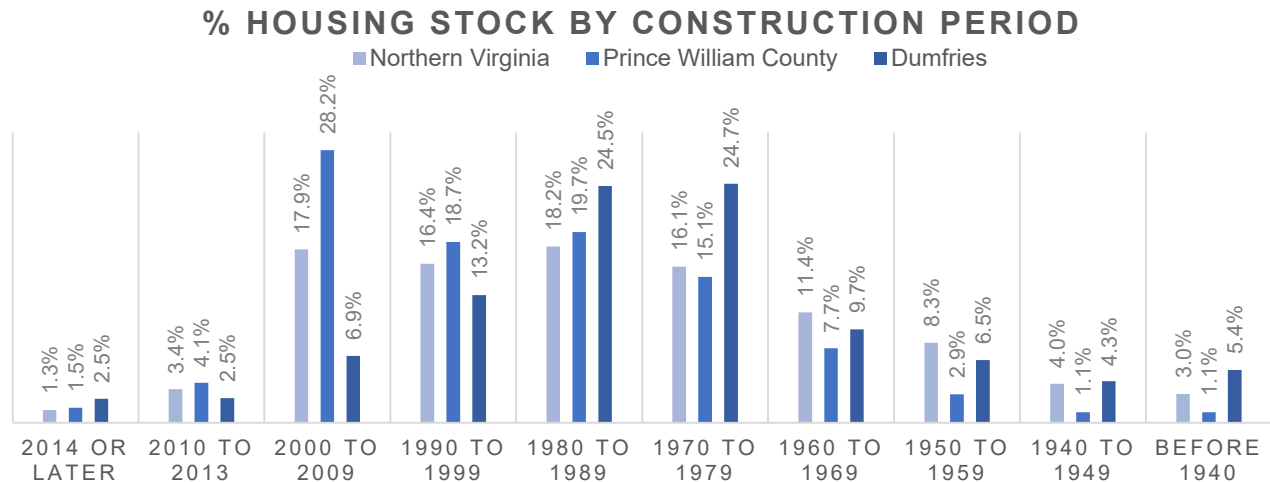


Source: Prince William County (2019)

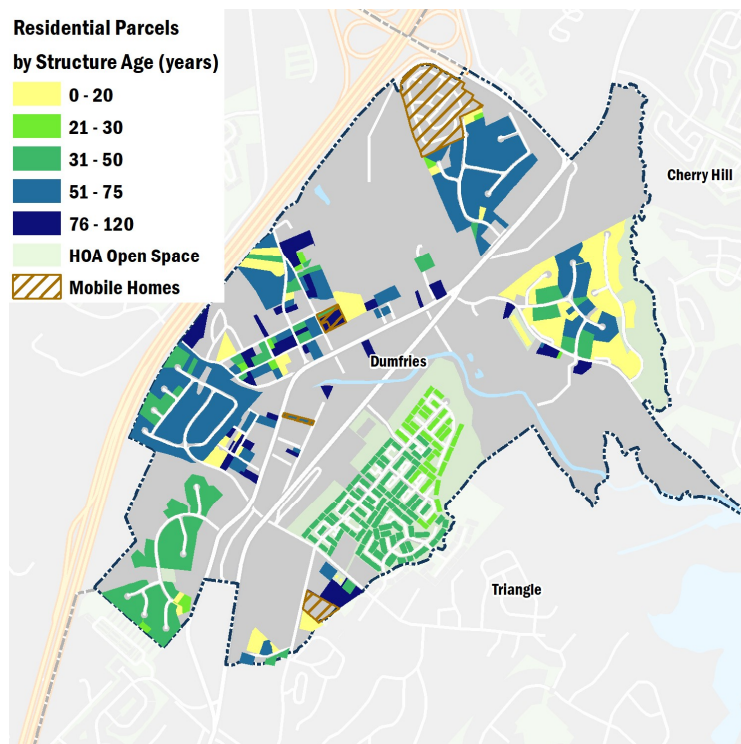


### 3.1.2 CONDITION AND AGE OF HOUSING

Five years ago, the share of the Town's housing stock built before 1990 was almost 84%, suggesting housing condition and maintenance may have been an issue of concern to many Town residents. Due to development that has occurred since then, the most recent data indicate that 75% of the current housing stock was built pre-1990. Roughly half of the stock was built between 1970 and 1990, a higher share than that of Prince William County or Northern Virginia as a whole. There was very little expansion during the 1990 to 2010 period in comparison with Northern Virginia and Prince William County. Post-2010 housing development has been more in line with these benchmark regions.



Source: ACS 2013-2017, 5-year estimates



Source: Prince William County Assessor (2019)

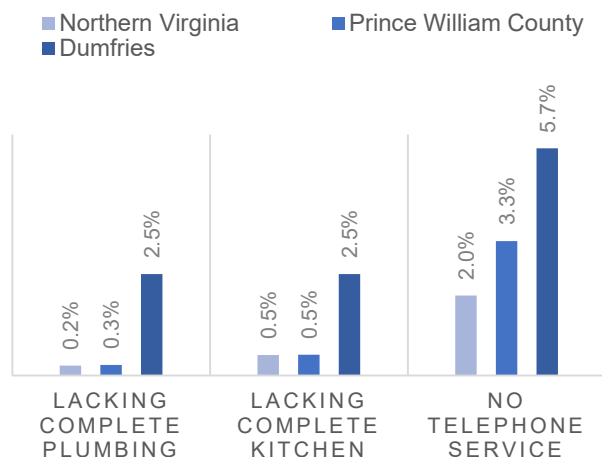
The spatial distribution of the housing stock by structure age according to the most recent data from the county assessor is provided at left. Some of the mobile home parks do not have structures and/or structure data available and are classified separately. Much of the newer inventory is located to the east, near Cherry Hill and Triangle, while older inventory is to the north and west. Structure age can play a major role in the availability of naturally occurring affordable housing. The same is true of mobile home parks, which has implications for policy decisions regarding the redevelopment of older housing stock and mobile homes. Mobile home parks are now considered non-conforming uses per Section 70.583 of the Town's Zoning Code.



Further evidence of the relative condition of the Town's housing stock is shown in the following chart, which shows that Dumfries has much higher shares of homes without complete plumbing or kitchen.

About 13% of Town residents have moved into their unit since 2015, more than County and Northern Virginia averages, indicating greater turnover.

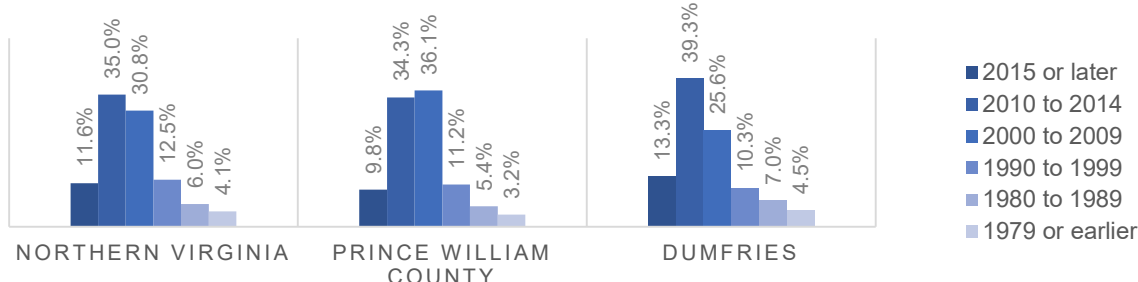
## SELECTED HOUSING CHARACTERISTICS



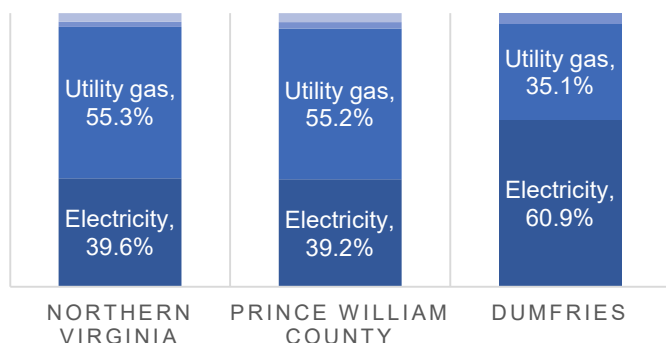
Source: ACS 2013-2017, 5-year estimates

Source: ACS 2013-2017, 5-year estimates

## MOVED INTO UNIT



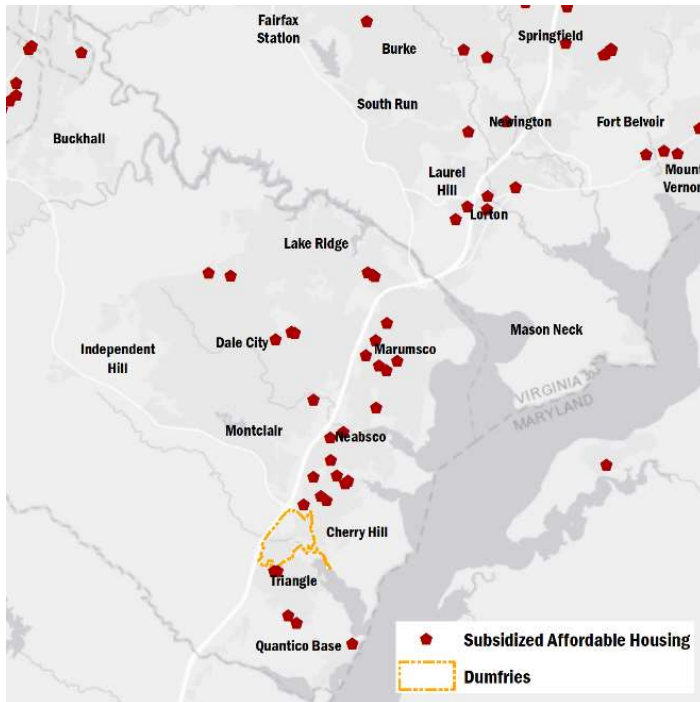
## HOME HEATING TYPE



Source: ACS 2013-2017, 5-year estimates

Most Dumfries residents rely on electricity (61%) and utility gas (35%) for heating their homes. More homes in Dumfries are heated by electricity than in benchmark regions (about 40% in Northern Virginia and the County). Electric heat is often more expensive than heat produced in homes using natural gas, propane, and oil

furnaces.<sup>10</sup> Heating costs typically make up 42% of U.S. utility bills, and typical home performance conservation efforts can reduce home energy costs by roughly 20% to 25%. Moreover, these programs often reveal health hazards in the home due to undetected mold, combustion flue gas pollution or the friable asbestos commonly used in insulation and flooring products from the 1970s and 1980s.



Source: National Housing Preservation Database (2018)

As shown in the map at left, there are no active subsidized affordable housing units in Dumfries, though there are some just outside of the Town's census boundaries. Immediately to the north are three Low Income Housing Tax Credit (LIHTC)-funded projects targeted to families:

- Orchard Landing Apts. (184 units)
- Shorehaven Apartments (240 units)
- Princeton Woods (276 units)

Immediately to the south are two more projects in Triangle:

- Community Apartments (20 units)
- The Oaks (58 units)

Community Apartments is a Section 8 project targeted to the disabled, and The Oaks is an LIHTC project targeted to the elderly or disabled.

<sup>10</sup> <https://www.energy.gov/energysaver/home-heating-systems/electric-resistance-heating>

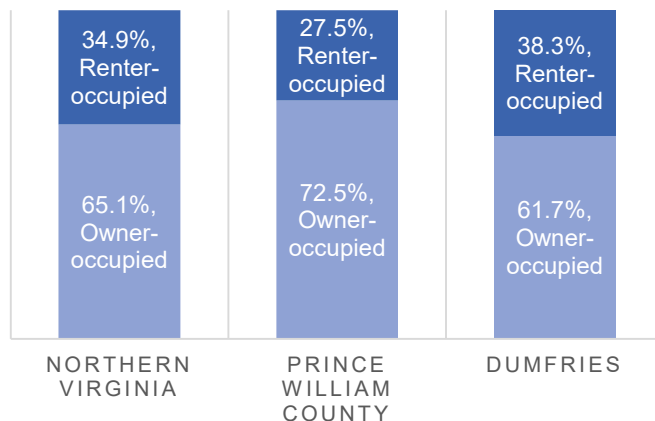


Source: apartments.com. Clockwise from top left: Orchard Landing, Princeton Woods, The Oaks, Shorehaven

### 3.1.3 HOUSING TENURE (OWNERSHIP VS. RENTAL HOUSING)

An estimated 61.7% of occupied housing units are owner-occupied, somewhat less than the 65.1% owner-occupied in Northern Virginia and 72.5% in Prince William County. The share that are owner-occupied has decreased from 64.6% five years ago, which is a larger decrease than in Prince William County overall, which fell just 0.3% from 72.8%.

## HOUSING TENURE



Dumfries experiences much higher vacancy rates than benchmark regions. ACS 2013-2017 data reports 11.3% vacant units in Dumfries, versus 4.6% in Prince William County and 5.2% in Northern Virginia.

Source: ACS 2013-2017, 5-year estimates

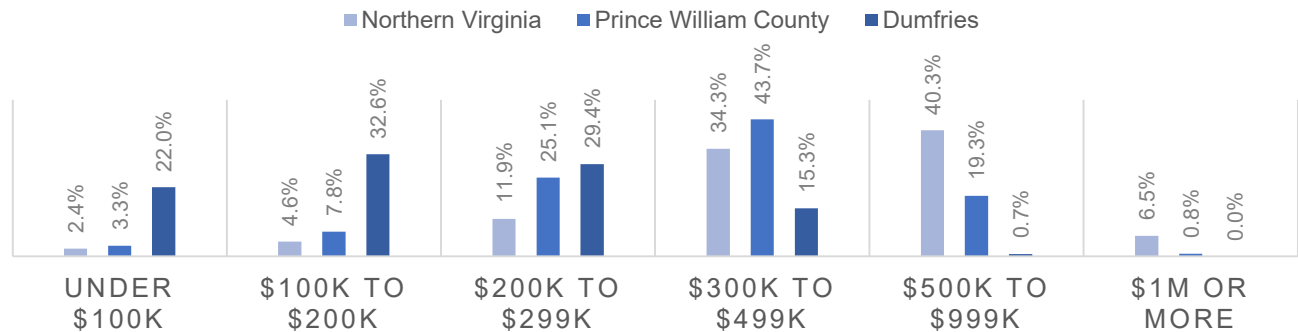
### 3.1.4 VALUE AND COST OF HOUSING

In general, housing became more affordable post-recession, when the housing market bubble burst and many homes went into foreclosure. Housing in Dumfries has been—and still is—among the most affordable in Prince William County and Northern Virginia more generally. According to 2013-2017

ACS estimates, the median home value in Dumfries was \$189,300, which was the lowest in the D.C. area.

As shown in the chart below, Dumfries' housing stock skews toward the lower end of the home value spectrum in comparison with Northern Virginia and Prince William County. About 55% of the owner-occupied units are under \$200,000 (compared with 59% five years prior). In Northern Virginia this figure is 7%, and it is 11% in Prince William County.

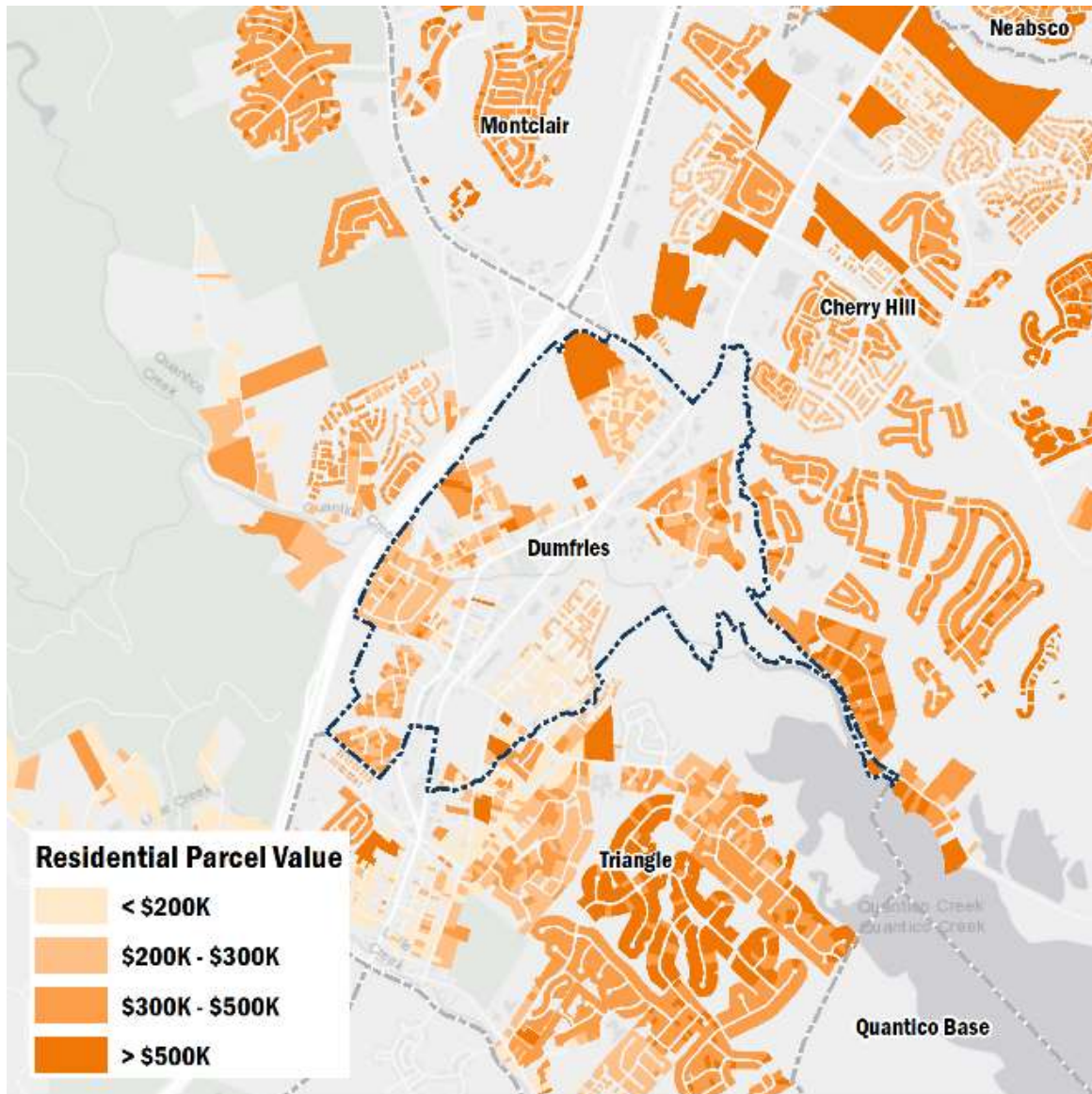
### SHARE OF OWNER-OCCUPIED UNITS BY VALUE RANGE



Source: ACS 2013-2017, 5-year estimates

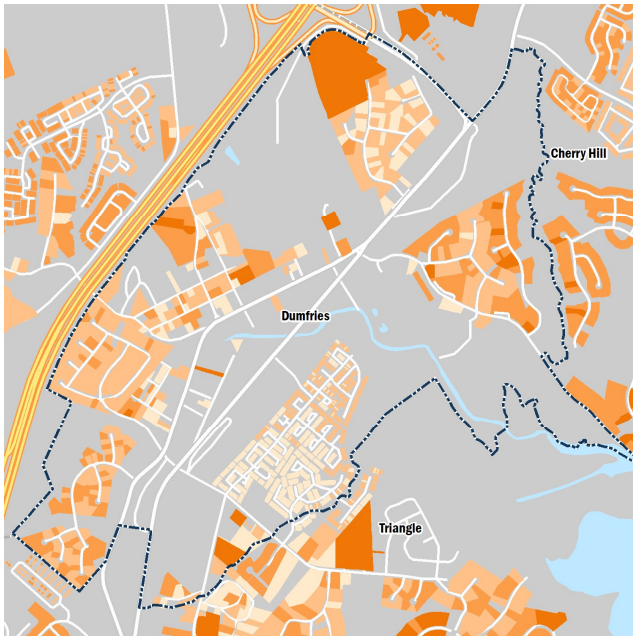
Parcel data, together with assessed values, were gathered from Prince William County and analyzed for the Town of Dumfries. A map representing the value by parcel (as a proxy for value per home, given that most of the housing stock is single-family attached or detached) is provided below, demonstrating that the residential parcels within Dumfries tend to be assessed at lower values than surrounding areas in Triangle, Cherry Hill, and Montclair.



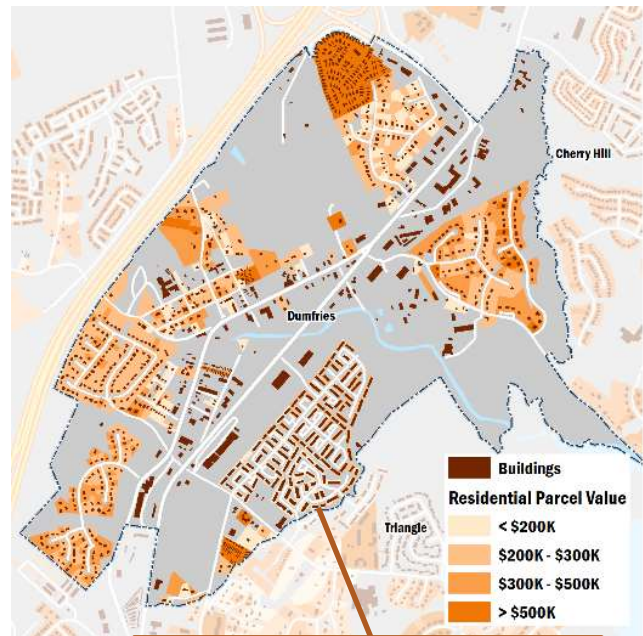


Source: Prince William County Assessor Data (2019)

A more detailed view of residential parcel values within Dumfries is provided below, together with building footprints in order to highlight the greater affordability that in many cases coincides with denser development, such as the attached single-family (i.e., townhome) neighborhoods of Williamstown and Port O'Dumfries, where values are regularly under \$200,000. Most other residential properties in the area are \$200,000 or higher.

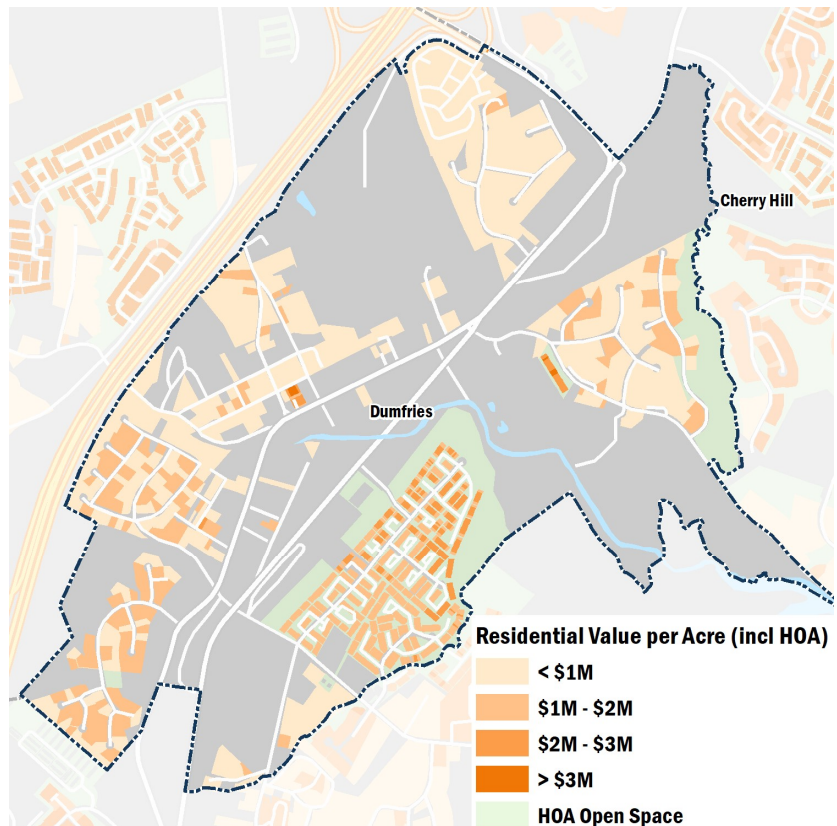


Source: Prince William County Assessor Data (2019)



Williamstown, Port O'Dumfries

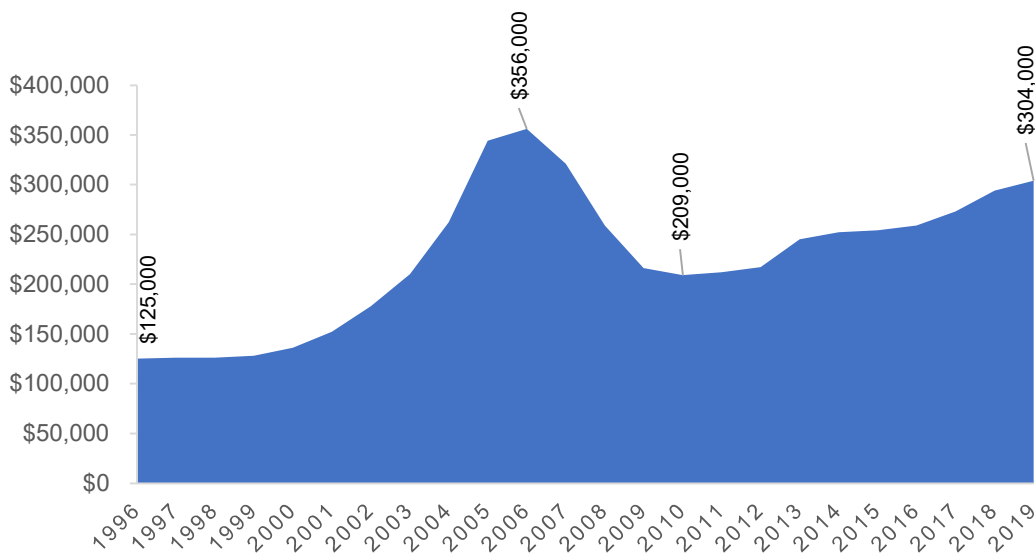
Placing the parcel values in context with the deeded acreage of the parcel provides additional perspective in the map at right. Here, the value per acre tends to be somewhat higher in the townhome developments—in some areas over \$2 million per acre.<sup>11</sup> This is due to the greater efficiency of these clustered developments in maximizing productive land use in less space, which is a key consideration in locations with a long history of development and a shortage of developable land.



<sup>11</sup> To correct for the issue of private open space (owned by the HOA) being separated from the deeded parcels that enjoy the space, these acreages were distributed equally among all residential parcels (in Williamstown, Port O'Dumfries, and The Point developments) enjoying this common open space to approximate comparability between the single-family residential and townhome developments.

The parcel data above illustrates the most recent estimates. Data gathered from Zillow provides some insight into historical trends. The chart below indicates that average home values in ZIP code 22026—which includes Dumfries and Cherry Hill—have not recovered to their pre-housing crisis peak of around \$350,000. During the recession, home values in this area lost about 40% of their value, according to this dataset.

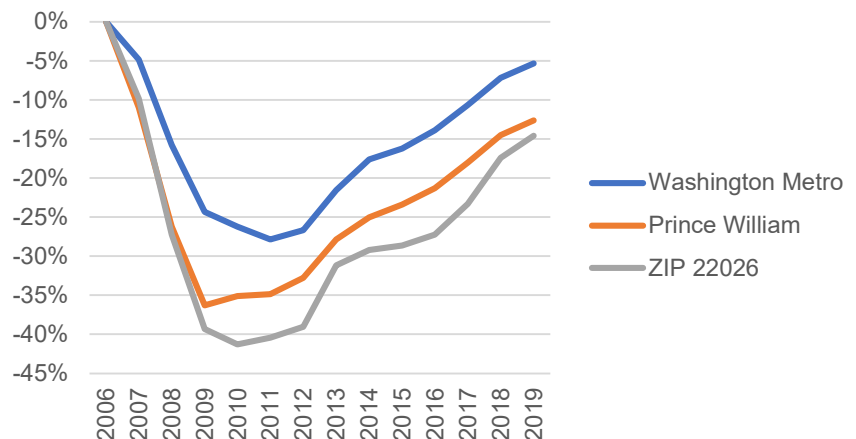
### AVERAGE ANNUAL HOME VALUE (ZIP 22026)



Source: Zillow, ZIP Code 22026, Average Annual Home Value, All Homes (SFR, Co-ops, Condos) (July 2019)

In comparison, the home values for Prince William County and the Washington, D.C. metropolitan area have also not recovered to their 2006 peaks. However, these benchmark regions did not fall as far post-recession, proportionally, and are closer to recovering than the ZIP code used as a proxy for the local Dumfries area.

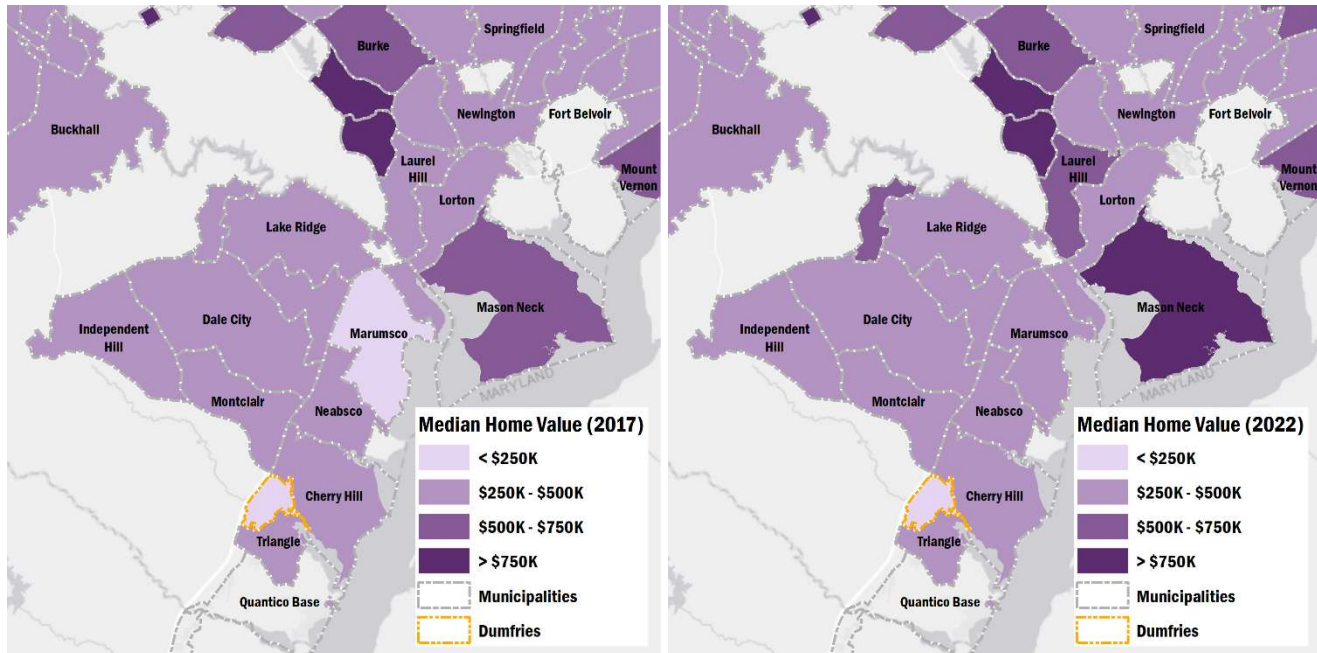
### % Change from Peak 2006 Average Annual Home Values



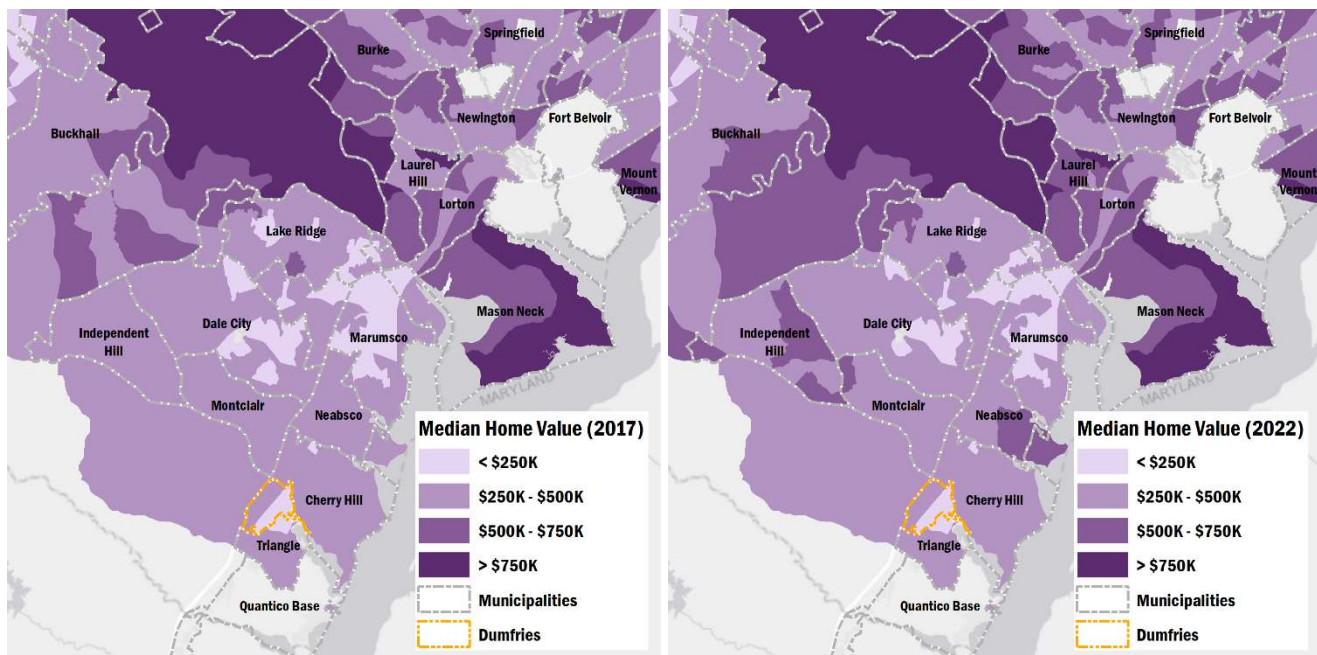
Source: Zillow, Average Annual Home Value (2019)



According to data from Esri Business Analyst, the median home value in Dumfries was \$206,000 in 2017 and is expected to rise to \$231,000 in 2022, an increase of 12% over five years. Compare this figure with the anticipated median household income growth rate of 4% and it is clear that should these projections occur, housing will become less affordable to Dumfries homeowners.



Source: Esri Business Analyst, Places (2017)



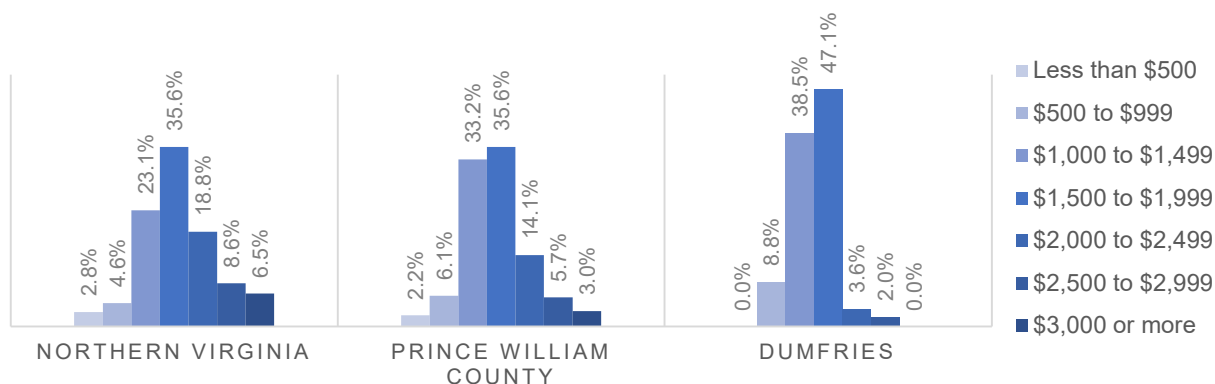
Source: Esri Business Analyst, Block Groups (2017)



### 3.1.5 RENTAL VALUES

High rental costs are common throughout Northern Virginia and are a chief determinant of the region's high cost of living compared to national averages. In Dumfries, nearly half of rental units cost between \$1,500 and \$2,000 per month, and a combined 86% cost between \$1,000 and \$2,000, versus 59% in Northern Virginia and 69% in Prince William County—where more of the rental market is over the \$2,000 per month price point.

#### GROSS RENT FOR OCCUPIED RENTAL UNITS



Source: ACS 2013-2017, 5-year estimates

Median gross rent in Dumfries is \$1,529—  
about \$100 less than Prince William County

It is worth emphasizing that **the rental market in Dumfries does not reflect the same level of affordability relative to the surrounding area as the owner-occupied market does**. According to 2008-2012 data, 20% of Dumfries rental units cost less than \$1,000 a month, versus nearly 9% according to most recent data. In comparison, Northern Virginia has 7% of its rental market at this price point and Prince William has 8%. These levels are very similar, while the share of Dumfries owner-occupied inventory valued at less than \$200,000 is five to six times larger than the benchmark regions.

Rent data were gathered from Zillow for ZIP 22026, which encompasses Dumfries and Cherry Hill. The Zillow Rent Index cites a value of \$1,820 for all rental units in this location in July 2019, including single-family, condominiums, and multi-family units. Isolating just the multi-family units, this figure drops by about \$300 to \$1,510. Multi-family rental data for ZIP 22026 is only available since 2016 (likely due to the very small inventory prior to this time), and rents have not grown substantively since then. This dataset should be treated with caution due to its small size and the fact that it includes areas outside of Dumfries.

HUD provides information about Fair Market Rents (FMR) in ZIP 22026 as well. FMR are used by HUD to determine payment standard amounts for the Housing Choice Voucher Program, among other assistance programs. In this location, a two-bedroom apartment in 2019 has a fair market rent value of just under \$1,600, where it has remained for the past several years. Since 2010, this rent figure has grown by \$200, or about 15% total. As noted previously, median incomes in Dumfries have remained flat over a comparable period of time. FMR for efficiency units have grown even more rapidly, which is notable given that single-person households have been on the rise.

## Fair Market Rents, ZIP 22026

Year	Efficiency	1BR	2BR	3BR	4BR
2010-2011	\$1,070	\$1,210	\$1,380	\$1,760	\$2,310
2012	\$1,060	\$1,210	\$1,370	\$1,770	\$2,310
2013	\$1,140	\$1,200	\$1,420	\$1,900	\$2,390
2014	\$1,180	\$1,250	\$1,480	\$1,980	\$2,490
2015	\$1,180	\$1,240	\$1,470	\$1,970	\$2,470
2016	\$1,210	\$1,270	\$1,470	\$1,930	\$2,470
2017	\$1,310	\$1,370	\$1,580	\$2,070	\$2,580
2018	\$1,340	\$1,400	\$1,600	\$2,100	\$2,590
2019	\$1,340	\$1,380	\$1,580	\$2,060	\$2,540
2010-2018					
Annualized Change	3.0%	2.0%	2.0%	2.4%	1.5%
Gross Change	\$270	\$170	\$200	\$300	\$230

Source: HUD, ZIP Code 22026, Fair Market Rents (2019)

### 3.1.6 MORTGAGE/RENT-BURDENED HOUSEHOLDS

Information regarding household costs and affordability in Dumfries was gathered from a variety of sources. As an overview using the most recently available ACS data (2013-2017 estimates), the median monthly housing costs in Dumfries are:

- \$1,323 among owner-occupied housing units
- \$1,529 among renter-occupied housing units

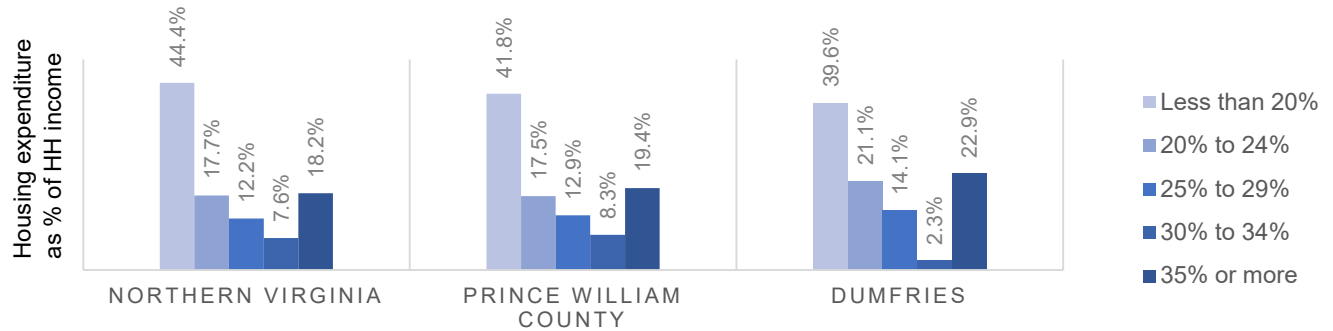
Placing these values in context with the local median household income (\$62,303 in Dumfries, according to ACS 2013-2017 estimates), the median owner-occupied housing costs are 25% of the median household income, while renter costs are 29% of the median household income. Housing affordability is typically measured by the relationship between housing costs and total household income. Households that pay more than 30% of total household income on housing are considered to be cost-burdened. Thus, according to ACS data, affordability is just barely achieved by the median household—but medians do not tell the whole story.

As shown in the chart below, for Dumfries resident homeowners with a mortgage, 75% have affordable housing—defined as less than 30% of household income. In Northern Virginia and Prince William County, these figures are 74% and 72%, respectively. For homeowners with no mortgage payment, essentially all Dumfries homeowners have payments below 30 percent of household income.

Housing costs—perhaps more than any other factor—lie behind the recent growth and demographic composition of the Town's population. Housing in Northern Virginia is among the most expensive in the nation. For many middle and lower-income households, Dumfries is one of the few places in the region where they can afford to own a home. In the charts below, housing costs as a percentage of household income is shown distributed across NoVa, Prince William County, and Dumfries. For

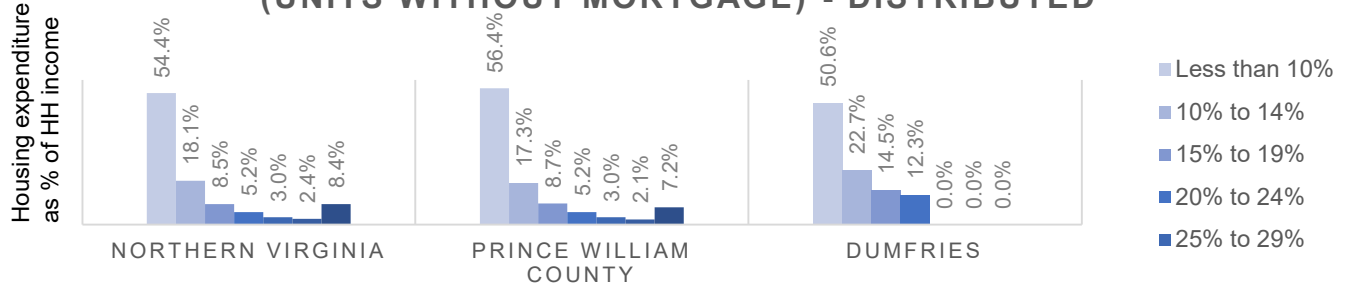
example, 18% of homeowners with a mortgage in NoVa pay more 35% of their household income on their mortgage.

### MONTHLY OWNER COSTS AS A SHARE OF HH INCOME (UNITS WITH MORTGAGE) - DISTRIBUTED



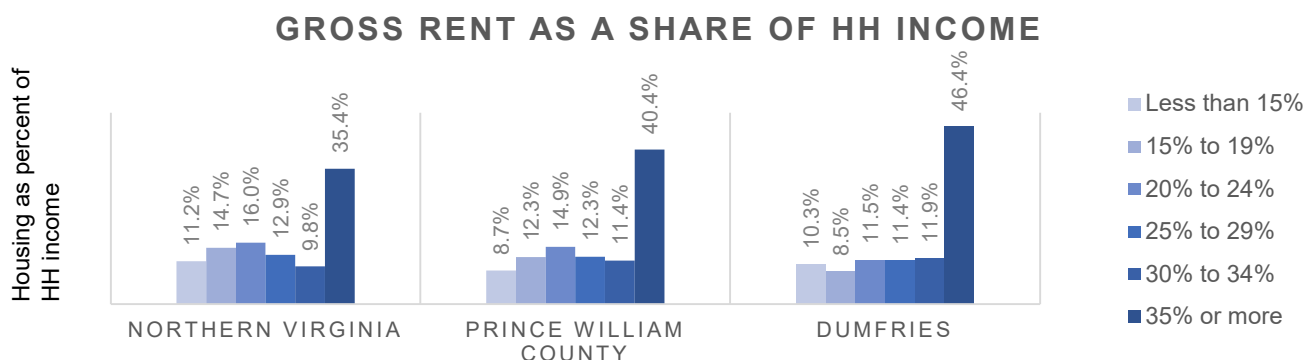
Source: ACS 2013-2017, 5-year estimates

### MONTHLY OWNER COSTS AS A SHARE OF HH INCOME (UNITS WITHOUT MORTGAGE) - DISTRIBUTED



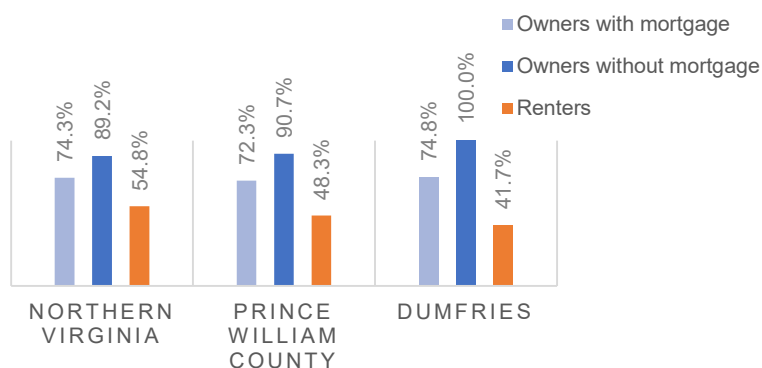
Source: ACS 2013-2017, 5-year estimates

As noted, for-rent housing is less affordable for its residents than owner-occupied housing. Approximately 47% of renter households pay at least 35% of their household income in gross rent in Dumfries. This is well above the Northern Virginia (35%) and Prince William County (40%) levels. Using the standard affordability threshold of 30% of household income, 58% of Dumfries renter households are cost burdened.



Source: ACS 2013-2017, 5-year estimates

### SHARE OF HOUSEHOLDS WITH HOUSING COSTS <30%



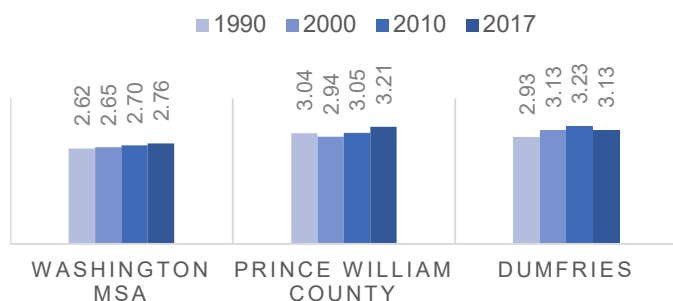
Source: ACS 2013-2017, 5-year estimates

The chart at left places owner and renter households side-by-side for comparison purposes. It again highlights that affordability is a greater concern for renters than for homeowners. It also shows that affordability for homeowners is on par with area averages. Data from the 2008-2012 ACS estimates indicate that there have been significant improvements in homeowner affordability since that time (rising from 52% to 75% among homeowners with mortgages). Meanwhile, the share of renter households that pay less than 30% of household income in housing costs has actually fallen from 45% to 42%.

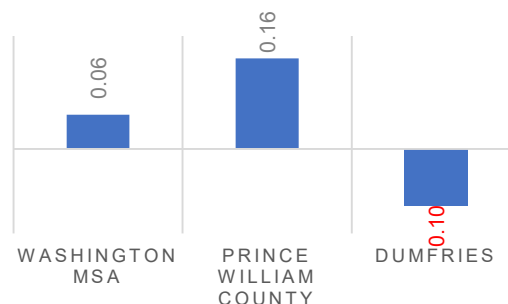
### 3.1.7 HOUSEHOLD SIZE AND COMPOSITION

Due to its relatively permanent and immobile nature, housing provides a reliable foundation for estimating and projecting local populations. However, while housing units may be easy to count, people relocate, household composition changes, and alternative housing structures attract different types and sizes of households. A statistical measure widely used to summarize and track internal household changes is average household size, which is derived by dividing the number of people living in households by the total number of occupied housing units or households. Dumfries's average household size in 2010 was 3.2 persons compared to the Washington MSA average of 2.7 persons. The most recent ACS data shows that it has fallen since then to 3.1. During the same period of time, County and Washington metro average household size grew slightly. Currently, the average household size in Prince William County is 3.2, and in the MSA it is 2.8, as highlighted in the charts below.

## AVERAGE HH SIZE



## CHANGE 2010-2017



Source: U.S. Decennial Census 1990, 2000, 2010; ACS 2013-2017, 5-year estimates

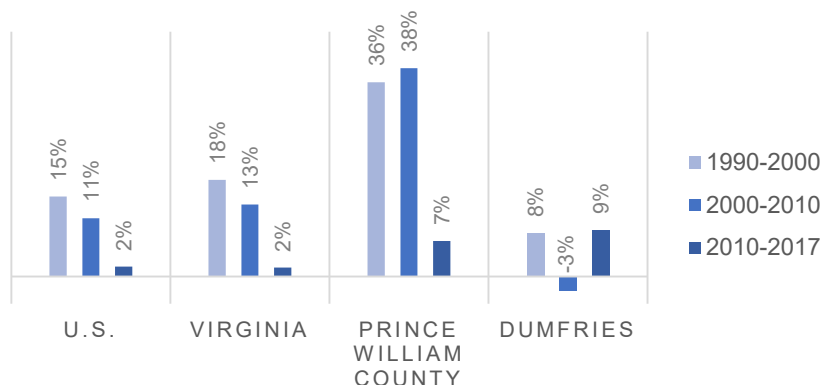
Total households in the Town declined slightly between 2000 and 2010, compared to significant increases at the national, state, and especially Prince William County levels. This trend has since been reversed, as ACS 2013-2017 estimates indicate that 132 households have been added to the Dumfries resident population—9% growth, which is higher than benchmark regions.

	U.S.	Virginia	Prince William County	Dumfries
1990	91,947,410	2,291,830	69,709	1,456
2000	105,480,101	2,699,173	94,570	1,573
2010	116,716,292	3,056,058	130,785	1,531
2017	118,825,921	3,105,636	139,306	1,663

Household composition data between 1990 and 2017 are provided in the tables on the following page. The share of family households used to be comparable to county levels (about 75% in 2010), but has since dropped to 69%, while benchmark regions have remained unchanged.

The share of households that include married couples dropped by two percentage points, and other family households by four percentage points. Generally, there are fewer married family households and more other family households (i.e., male householder with no wife present or female householder with no husband present) in Dumfries than in benchmark regions.

## GROWTH IN HOUSEHOLDS



Source: U.S. Decennial Census 1990, 2000, 2010; ACS 2013-2017, 5-year estimates

A notable feature of household composition change in Dumfries is that the share of nonfamily households grew from 25% to 31% between 2010 and 2017, driven almost entirely by an increase in the share of households comprised of one person living alone—now 24% of all households. This is well above the share of single-person households in Prince William County (18%), though not quite as high as state or U.S. averages (27%-28%).

## HOUSEHOLD COMPOSITION

### DUMFRIES

	Family HH	Married couple	Other family	Male HHr, no wife	Female HHr, no husband	Nonfamily HH	Living alone	Not living alone
1990	77%	58%	19%	5%	14%	24%	18%	6%
2000	76%	49%	27%	8%	20%	24%	17%	7%
2010	75%	45%	30%	8%	23%	25%	18%	7%
2017	69%	43%	26%	9%	16%	31%	24%	8%

### PRINCE WILLIAM COUNTY

	Family HH	Married couple	Other family	Male HHr, no wife	Female HHr, no husband	Nonfamily HH	Living alone	Not living alone
1990	81%	69%	12%	4%	8%	19%	13%	6%
2000	77%	61%	16%	4%	11%	23%	17%	6%
2010	77%	60%	17%	5%	12%	23%	18%	5%
2017	77%	61%	17%	5%	12%	23%	18%	4%

### VIRGINIA

	Family HH	Married couple	Other family	Male HHr, no wife	Female HHr, no husband	Nonfamily HH	Living alone	Not living alone
1990	71%	57%	14%	3%	11%	29%	23%	6%
2000	68%	53%	16%	4%	12%	32%	25%	6%
2010	67%	50%	17%	4%	12%	33%	26%	7%
2017	67%	51%	16%	4%	12%	33%	27%	6%

### UNITED STATES

	Family HH	Married couple	Other family	Male HHr, no wife	Female HHr, no husband	Nonfamily HH	Living alone	Not living alone
1990	70%	55%	15%	3%	12%	30%	25%	5%
2000	68%	52%	16%	4%	12%	32%	26%	6%
2010	66%	48%	18%	5%	13%	34%	27%	7%
2017	66%	48%	18%	5%	13%	34%	28%	6%

Source: U.S. Decennial Census 1990, 2000, 2010; ACS 2013-2017, 5-year estimates

### 3.2 WHAT HAS CHANGED AND WHAT ARE IMPACTS?

Housing data in the previous section helps to delineate several trends that impact the current residents of Dumfries.

- **Dumfries grew much more slowly than the surrounding area between 2000 and 2010, but more recent development growth has been in line with area trends.**
- **Dumfries is diversifying its housing stock away from single-family dwellings.**
  - Single-family dwellings (attached and detached) fell from 90% to 65% of the housing stock. The current proportion that is similar to NoVa but below Prince William County (81%) (ACS 2013-2017 estimates).
  - This change is due mostly to an increase in mobile homes and multi-family units.
  - The upcoming delivery of 227 units in the Townsquare development will continue this trend.
- **Dumfries has a higher-share of renter-occupied housing than NoVa overall, and this proportion is growing, from 35.5% to 38.3% over a five-year period.**
- **While there are sizeable multi-family developments immediately outside of the Dumfries town limits, there is a notable absence within—which likely contributes to the affordability challenges faced by local renters.**
  - Given the high renter population, this suggests a significant rental market of single-family dwellings or mobile homes that are filling the gap.
  - There are no active subsidized affordable housing units in Dumfries, though one LIHTC-funded project is underway. This is the Townsquare development referenced above.
- **While gross rents are lower in Dumfries than surrounding areas, they represent a larger share of renters' income.**
  - About 58% of Dumfries renters pay at least 30% of their income in rent, compared to 25% of homeowners with mortgages.
  - Renters in Dumfries are more burdened than elsewhere, as 45% of renters (and 26% of homeowners) in NoVa are cost-burdened.
- **Owner-occupied home values continue to be more affordable than in the surrounding area, with a significant proportion under \$200,000.**
  - Home values in Dumfries have not recovered to their 2006 peak—similar to area trends, though Dumfries home values fell further during the recession.
  - Value densities among detached single-family dwellings are typically below \$1 million per acre, though there are some in the \$1 million to \$2 million per acre range.
  - While the attached single-family dwellings tend to be more affordable per parcel (i.e., under \$300,000 or even \$200,000 per parcel), their values *per acre* are comparatively higher than detached dwellings—usually \$1 million to \$3 million per acre—due to clustering to maximize available land.
- **There are more single-person households than before—now 24% of all households—who may require different types of housing than the typical family households.**

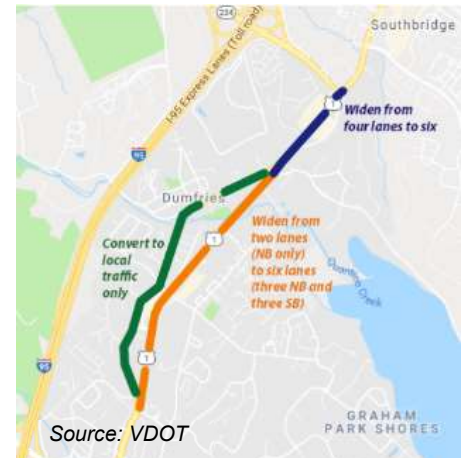


## 4 HOUSING AFFORDABILITY

### 4.1 FUTURE HOUSEHOLD INCOME AND PRICING MIX (MAIN STREET)

Concurrent to this housing analysis, the project team has developed a draft framework plan for the Town's Main Street as part of an update to the town's Comprehensive Plan and Zoning Code.<sup>12</sup> VDOT plans to widen Northbound Route 1 (Fraleley Boulevard) to accommodate both northbound and southbound travel and will transfer ownership to the Town of Dumfries of the current Southbound Route 1 (Main Street), shown in green in the graphic on the right.<sup>13</sup>

The conversion of Route 1 into a local street offers the Town an opportunity to reclaim its Main Street and create a new vibrant and walkable mixed-use area. It is anticipated that the new Main Street will offer a variety of retail options, including restaurants, cafes and a mix of store types supported by a high-quality public realm. It is envisioned to have active storefronts located on the ground floor with multi-family residential located above. The area is also envisioned to be walkable and bikable and to encourage healthy and active mobility.



<sup>12</sup> This draft framework plan is meant to help guide the revisions of the Comprehensive Plan and Zoning Code, and in its current form is not yet considered a final, standalone plan.

<sup>13</sup> [http://www.virginiadot.org/projects/northernvirginia/fraleley\\_bldv\\_widening.asp](http://www.virginiadot.org/projects/northernvirginia/fraleley_bldv_widening.asp)



This section looks at the anticipated income levels of the future residents of the Main Street area, the types of housing that may be developed there going forward, and the policies or mechanisms that may be necessary to promote socioeconomic inclusion on Main Street by promoting housing affordability.

### Current household income and housing affordability in Dumfries

As discussed above, the median household income in Dumfries is \$62,303.<sup>14</sup> Utilizing the income breakdown provided in Section 3, the table below shows the Dumfries household income by income range and calculates the housing affordability expenditure threshold, based on a standard of spending no more than of 30% of household income for housing. The table also highlights the income levels for residents at 60%, 80% and 100-120% of Area Median Income (AMI).<sup>15</sup>

Annual Household Income	% Dumfries Households	Average Monthly Income	Affordability Threshold (30% Income)	
Less than \$10,000	7%	\$ 416.67	\$ 125.00	
\$10,000 to \$14,999	1%	\$ 1,041.67	\$ 312.50	
\$15,000 to \$19,999	3%	\$ 1,458.33	\$ 437.50	
\$20,000 to \$24,999	4%	\$ 1,875.00	\$ 562.50	
\$25,000 to \$29,999	4%	\$ 2,291.67	\$ 687.50	
\$30,000 to \$34,999	3%	\$ 2,708.33	\$ 812.50	
\$35,000 to \$39,999	4%	\$ 3,125.00	\$ 937.50	60% AMI
\$40,000 to \$44,999	8%	\$ 3,541.67	\$ 1,062.50	
\$45,000 to \$49,999	3%	\$ 3,958.33	\$ 1,187.50	80% AMI
\$50,000 to \$59,999	9%	\$ 4,583.33	\$ 1,375.00	
\$60,000 to \$74,999	13%	\$ 5,625.00	\$ 1,687.50	100-120% AMI
\$75,000 to \$99,999	13%	\$ 7,291.67	\$ 2,187.50	
\$100,000 to \$124,999	10%	\$ 9,375.00	\$ 2,812.50	
\$125,000 to \$149,999	4%	\$ 11,458.33	\$ 3,437.50	
\$150,000 to \$199,999	7%	\$ 14,583.33	\$ 4,375.00	
\$200,000 or more	6%	\$ 16,666.67	\$ 5,000.00	

Translating findings from the table, the following breakdown emerges:

- About 22% of the households in Dumfries can afford to pay up to \$812 per month for housing. This is considered very low-income by HUD standards. Methods to ensure access to housing for household income earners at this level tend to be through federal, state, local or non-profit subsidies or in the form of public housing.

<sup>14</sup> <https://datausa.io/profile/geo/dumfries-va#about>

<sup>15</sup> Households earning less than 80% of the area median income (AMI) are considered low-income households by HUD. (60% AMI is occasionally used to determine affordability.) Very low-income households earn less than 50% of the AMI and extremely low-income households earn less than 30% of the AMI. <https://ggwash.org/view/42671/the-area-median-income-ami-explained>

- Approximately 24% of households in Dumfries can afford to pay up to \$1,188 per month for housing. Households at this income level likely struggle to meet their housing needs at a price they can afford. Moving forward, interventions in the market through different policies such as inclusionary zoning may help improve access to affordable housing for people at this household income level.
- 13% of households in Dumfries and can afford to pay up to about \$2,188 per month for housing.
- 27% of households and can afford more than about \$2,813 per month for housing.

Consistent with findings from earlier in this report, this shows that since household incomes in Dumfries are low, affordable levels of housing expenditure are also low. Determining where and how affordability for different household income levels can and should be accommodated in Dumfries is developed further in the next section.

### **Household income and housing affordability in Dumfries – Future Main Street area**

This section compares housing spending power at different household levels to the market price of different housing products. It is anticipated that most of the new housing along Main Street will be multifamily. In the area between Main Street and the Weems-Botts museum, most housing will continue to be single-family, as is the case currently, but the revised Comprehensive Plan will explore the possibility of allowing low-rise multi-family units — probably duplexes and 4-plexes — in that area.

The table below sets out the current market prices for various housing products that could be developed on Main St. and assesses their affordability to current residents of Dumfries. These include condominium apartments, rental apartments and townhouses. The household income and affordability thresholds are taken from the table above. The market prices are taken from publicly available real estate data services.<sup>16 17</sup>

The table compares the cost of the different housing products to the expenditure ceiling that corresponds to 30% of the different household income levels. Where the price exceeds the cap, the cell is coded red. Where the price is coded green, the price is within the cap. The yellow-coded cells mean that the price is in a narrow range that includes the cap.

<sup>16</sup> Data pulled from Zillow in January 2020 – Dumfries and surroundings, including Prince William County.

<sup>17</sup> For sale houses were constructed within last five years. Monthly rental prices assume a 10% premium for new main street area.

Income Breakdown	Monthly Housing Ceiling (30% Income)	Multi-family (condo)			Town home	Multi-family (rental)			Townhome	
		3BR	2BR	1BR		3BR	2BR	1BR	4BR	3BR
Less than \$10,000	\$ 125.00	\$1,265	\$1,054	\$843	\$1,822	\$2,005	\$1741	\$1,484	\$2,382	\$2,068
\$10,000 to \$14,999	\$ 312.50	\$1,265	\$1,054	\$843	\$1,822	\$2,005	\$1741	\$1,484	\$2,382	\$2,068
\$15,000 to \$19,999	\$ 437.50	\$1,265	\$1,054	\$843	\$1,822	\$2,005	\$1741	\$1,484	\$2,382	\$2,068
\$20,000 to \$24,999	\$ 562.50	\$1,265	\$1,054	\$843	\$1,822	\$2,005	\$1741	\$1,484	\$2,382	\$2,068
\$25,000 to \$29,999	\$ 687.50	\$1,265	\$1,054	\$843	\$1,822	\$2,005	\$1741	\$1,484	\$2,382	\$2,068
\$30,000 to \$34,999	\$ 812.50	\$1,265	\$1,054	\$843	\$1,822	\$2,005	\$1741	\$1,484	\$2,382	\$2,068
\$35,000 to \$39,999	\$ 937.50	\$1,265	\$1,054	\$843	\$1,822	\$2,005	\$1741	\$1,484	\$2,382	\$2,068
\$40,000 to \$44,999	\$ 1,062.50	\$1,265	\$1,054	\$843	\$1,822	\$2,005	\$1741	\$1,484	\$2,382	\$2,068
\$45,000 to \$49,999	\$ 1,187.50	\$1,265	\$1,054	\$843	\$1,822	\$2,005	\$1741	\$1,484	\$2,382	\$2,068
\$50,000 to \$59,999	\$ 1,375.00	\$1,265	\$1,054	\$843	\$1,822	\$2,005	\$1741	\$1,484	\$2,382	\$2,068
\$60,000 to \$74,999	\$ 1,687.50	\$1,265	\$1,054	\$843	\$1,822	\$2,005	\$1741	\$1,484	\$2,382	\$2,068
\$75,000 to \$99,999	\$ 2,187.50	\$1,265	\$1,054	\$843	\$1,822	\$2,005	\$1741	\$1,484	\$2,382	\$2,068
\$100,000 to \$124,999	\$ 2,812.50	\$1,265	\$1,054	\$843	\$1,822	\$2,005	\$1741	\$1,484	\$2,382	\$2,068
\$125,000 to \$149,999	\$ 3,437.50	\$1,265	\$1,054	\$843	\$1,822	\$2,005	\$1741	\$1,484	\$2,382	\$2,068
\$150,000 to \$199,999	\$ 4,375.00	\$1,265	\$1,054	\$843	\$1,822	\$2,005	\$1741	\$1,484	\$2,382	\$2,068
\$200,000 or more	\$ 5,000.00	\$1,265	\$1,054	\$843	\$1,822	\$2,005	\$1741	\$1,484	\$2,382	\$2,068

Consistent with findings presented earlier in this report, the analysis shows that housing is more affordable for buyers than it is for renters. Households between 60%-120% AMI are all able to afford the monthly mortgage payment for an apartment, although only 1- and 2-bedroom units are affordable to households at 60% AMI. We note that while mortgage payments may be affordable, there may be other barriers to becoming homeowners, such as down payments and credit histories.

Rental prices, on the other hand, are unaffordable to households at or below the 100% AMI (the median income).

Townhouses are shown to be unaffordable at all incomes below 100% median household income – either as a condo or rental unit.

The analysis above shows that housing along Main St. will in the future probably be affordable to between one-half and two-thirds of the population of Dumfries, with the balance unable to afford the prices in this area. This is not surprising when we consider that the higher quality of the urban environment (amenities, services, public realm) along Main St. in the future will be associated with a price premium that could drive real estate values higher than in other areas of the town.

In an effort to promote an inclusive civic center consistent with the Town's vision for Main St., as well as to benefit from the advantages of socioeconomic diversity, it is recommended that the Town pursue policies to promote housing affordability in the Main St. area.

## 4.2 POLICIES AND MECHANISMS TO PROMOTE INCLUSION AND ENHANCE AFFORDABILITY

There are three primary policy recommendations for increasing affordability in Dumfries. While the first one is tailored to the Main Street area exclusively, it could also be used in areas of Dumfries that are currently zoned for multifamily housing. The other two policies are applicable to Main Street and to the rest of the town.

### 1. Formulate and implement an inclusionary zoning policy for new residential development in Main Street area

Inclusionary zoning is one of the primary policy tools governments have to produce affordable housing through the private market. Inclusionary zoning has helped neighborhoods, towns, and cities maintain diversity and keeping high-opportunity areas affordable.<sup>18</sup> Effectively requiring that the private market to subsidize affordable housing, inclusionary zoning typically imposes a minimum percentage of all new multi-family residential to be placed on the market at a price point that will be affordable to a targeted low-/middle-income population segment. In exchange for meeting this requirement, housing developers are often offered bonuses, such as permission to build additional density (add more market-rate dwelling units), reduced on-site parking requirements, or exemptions from other permitting requirements.

Recommendation - Dumfries should develop an Inclusionary Zoning policy for the Main Street area. This policy should factor in the current and future demand and market for multi-family and will have to carefully balance the need for affordable units with the need to attract investment in Dumfries. For example, Dumfries could impose a 10% requirement for units affordable at 60-80% median household income in proposed apartment buildings with more than 20 units.

### 2. Revise zoning to allow “missing middle” housing development in areas adjacent to Main Street

Upzoning of specific residential zoning districts to allow more than just single-family homes can improve affordability for middle-income households, such as those at 80-120% AMI. Allowing a slightly denser housing types, e.g. duplexes, triplexes, and fourplexes, inherently increases the diversity and supply of housing in an area. Units in these types of buildings are usually smaller and therefore less expensive to build. The reduction in development costs can translate to lower market prices. The massing of these types of housing can be comparable to large single-family houses, which makes them quite compatible from an urban design perspective in single-family areas. Often associated with workforce housing, production of these “missing middle” housing types helps households better match their own specific housing needs with a range of more affordable options.

Recommendation – Dumfries should consider upzoning residential zoning districts R2–General Residential and R3–Condominium to allow duplexes, triplexes, and fourplexes by right.

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<sup>18</sup> <https://www.citylab.com/equity/2018/07/citylab-university-inclusionary-zoning/565181/>

Currently, R2 zoning districts are located west of the Main Street Area and R3 zoning districts are located also between Main Street and Fraley Boulevard.

If a new zoning district is developed for the Main Street area, missing middle housing types could be allowed on streets off of Main Street, such as Fairfax Street or Prince Street between Fairfax Street and Cameron Street.

Other R2 zoning districts elsewhere in Dumfries could also consider allowing low-rise multifamily housing projects (four units or less per parcel) as a way to increase housing supply and maintain Dumfries' housing affordability advantage over the rest of Northern Virginia.

### **3. Build on existing relationships with state agencies and non-profit housing developers and managers to deliver subsidized low-income housing.**

Community Housing Partners is developing Townsquare at Dumfries, a project that will accept federal housing assistance vouchers and consider residents based on household size and yearly income. The complex will have one-, two- and three-bedroom units in six buildings. Funding for the development includes low-income housing tax credits as well as funding from the Virginia Housing Development Authority.<sup>19</sup>

Recommendation – Dumfries should to deliver more subsidized low-income housing by building on existing relationships with low-income housing developers, conducting outreach to new developers, and streamlining the zoning and permit delivery process for such projects. Fees for entitlements could also be reduced or waived in the case of low-income housing projects, thereby creating an incentive to locate such projects in Dumfries.

It is recommended to promote the development of at least low-income housing project along Main St. to achieve a higher level of socioeconomic diversity than the market would otherwise provide.

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<sup>19</sup> [https://www.insidenova.com/news/prince\\_william/local/dumfries/affordable-housing-under-construction-in-dumfries/article\\_18eb0e06-e120-11e9-9ca2-5be28eb15183.html](https://www.insidenova.com/news/prince_william/local/dumfries/affordable-housing-under-construction-in-dumfries/article_18eb0e06-e120-11e9-9ca2-5be28eb15183.html)