

## **Expanded housing choices are sought** *Group studying affordability offers ways to reach working-wage buyers*

BY BOB RAYNER  
TIMES-DISPATCH STAFF WRITER

Nov 18, 2006

Julissa Guillen accomplished one of her long-term goals this week: She became a homeowner.

The Richmond police officer has rented a place in the city for the past seven years. How did she manage the upgrade?

"I'm marrying another police officer," Guillen said. "The only way I could afford a house was to marry a person who makes more money than I do."

Guillen personifies the challenge facing the Richmond area and many regions around the country. The sharp increase in housing prices in the past decade has made homes unaffordable for many working people.

"Prices exploded, but incomes did not," said Conrad Egan, president and chief executive of the National Housing Conference, a nonprofit affordable-housing advocacy group. "This has created a gap that is not going to go away by itself."

Egan was the keynote speaker yesterday at the Greater Richmond Chamber's conference on work-force housing at The Cultural Arts Center at Glen Allen.

He outlined actions local governments can take to increase the supply of affordable housing. Policies should expand the sites on which affordable housing can be built, reduce regulatory barriers, raise more capital for housing and empower residents.

Changes in zoning standards that allow denser residential development can jump-start affordable housing and alleviate traffic congestion, Egan said.

Elizabeth McLaughlin, chief operating officer of the Southeastern Institute of Research in Richmond, said only 795 houses for sale in the Richmond area are affordable for people with moderate or low incomes. And less than 40 new homes are being built.

"This is a growing problem," she said. "Where are we going to be in the next five years if we don't start doing something about it now?"

Jim Napier, president of Napier Realtors ERA and vice chairman of local advocacy group The Partnership for Workforce Homes, said the problem needs to move to the top of the local agenda: "Until the public hears about the problem, they're not going to make it an issue for their elected officials."

Doug Jones is executive vice president and chief financial officer of Keystone Builders Resource Group Inc., a homebuilding company.

Zoning regulations often make it difficult to build affordable homes, Jones said. Some specify minimum square footage or lot sizes. Others require builders to use expensive materials or include garages.

"These things are all nice to have, but they add to the price of the house." Local government fees and expenses also boost housing costs, Jones said.

A 2,000-square-foot house that his company builds in Charlotte, N.C., sells for \$158,000, he said. But the same house would cost about \$213,000 in Chesterfield County, primarily because of higher proffers and sewer-connection fees, as well as larger lot requirements.

Bob Grauer, chief operating officer of Luck Stone Corp., framed the issue as an economic growth problem.

Employee turnover at the building materials company's plants in Northern Virginia is twice as high as at its Richmond-area operations. Many employees who earn between \$30,000 and \$50,000 can afford only homes that are a long drive from work in Northern Virginia, Grauer said. That hurts job satisfaction. He fears the Richmond area is headed in the same direction.

"The lack of affordable housing has directly contributed to longer commute times and traffic congestion."

Jamie Bird, a teacher and coach in Chesterfield County, hoped to find a home that was close to work.

"I wasn't able to find anything in the area," she said. Eventually she bought a one-bedroom condominium about 20 minutes away.

"I do like it. But it was definitely a struggle."

Greta Harris is vice president of the Southeast region for Local Initiatives Support Corp., a national community development nonprofit organization. She said that while the issue is complex, the goal is clear: "We all benefit when we offer our neighbors more choices in quality housing that just happens to be affordable."

Contact staff writer Bob Rayner at [brayner@timesdispatch.com](mailto:brayner@timesdispatch.com) or (804) 649-6073.