STAFFORD COUNTY BOARD OF SUPERVISORS'
WORKFORCE AND AFFORDABLE HOUSING *AD HOC* COMMITTEE

Meeting Minutes

Regular Meeting, June 22, 2023 at 11:00 a.m.
George L. Gordon Government Center – CEDC Conference Room
1300 Courthouse Road | Stafford, VA 22554

Call to Order: Ms. Monica Gary called the meeting to order at 11:00 a.m.

Roll Call: The following members were present: Monica Gary and Pamela Yeung

Also in attendance were Randy Vosburg, County Administrator (virtual); Michael Morris, Deputy County Administrator; Donna Krauss, Deputy County Administrator; Rysheda McClendon, County Attorney(virtual); Paul Santay, Chief Director of Development Services; Sarah Walsh, Rappahannock United Way; Chip Boyles, George Washington Regional Commission; and other interested parties.

Additions-Deletions and Approval of the Regular Agenda:

Under Consent Agenda it says April 20, 2023 minutes. It should say May 11, 2023. This will be corrected. Also, the attached charter still has the draft watermark but that is actually the approved charter from the last meeting. The watermark will be removed.

Reports by Committee Members:

None

Reports by Staff:

None

Approval of the Consent Agenda:

Dr. Yeung made a motion to approve May 11, 2023 Workforce and Affordable Housing Ad Hoc Committee meeting minutes. Ms. Gary seconded. Motion passed.

Presentation by Sarah Walsh, Chief Impact Officer, Rappahannock United Way:

The Rappahannock United Way produces the Alice report. The first one was done in 2017 and they've committed to keep doing the report every couple of years. The latest report was released in May 2023. RUW works with United Ways across Virginia to produce the study in financial hardship. It basically pulls together data to present how much it costs to live and work in our community. It provides data for the whole state, but it drills down to a local level for counties and cities and even subdivisions. The data provided is for the whole of Planning District 16 which includes the counties of Caroline, King George, Spotsylvania, Stafford and the city of Fredericksburg. This will allow for comparisons to the neighboring localities. For Stafford County, the Alice percentage is 32%. So that's 32% of the Stafford residents/households are living at or below what Alice survival threshold. That threshold is based on what it costs to live in Stafford County. It pulls together a survival budget, which includes housing, transportation, health care, technology, childcare if applicable, and food and utilities. It provides a truer figure than the federal poverty level of what it really costs to live here. Because the report has been done since 2017, we can see that the number has got higher for Stafford County. It's 3% higher than the last report. The good news for that percentage, because it does include people in poverty within that, those at and below the poverty level is 6%, which is considerably lower than the 10% average for Virginia. More of the people are in the Alice bracket than actually truly in poverty. So that's a good thing.

Dr. Yeung pointed out that a "good thing" depends on the way how you look at these numbers. You could say, because there is no housing for individuals below or at that level, they move out to the outskirts where they're able to live, which is Fredericksburg, or sometimes even Prince William, or some other locations that there is affordable housing. When we make statements and say, this is a good thing, we may want to look at other things, because otherwise people have false identification that we're not as bad as others.

Dr. Yeung and Ms. Gary both felt that the numbers may be trending up because people can't afford to live here. If the surrounding areas around Stafford County have increased while Stafford has decreased that would show movement

Ms. Walsh stated the number is based on those people that live here in the county, it's a percentage of residents. Of the five localities within Planning District 16, four of them increased. The only one that decreased was the city of Fredericksburg (4%). The others only increased by an average 3%. A lot of people move and if you dig deep into the data online, you can see the migration of people in and out of the localities. A lot of Stafford County employees don't live where they work because housing costs are high in Stafford County. So, compared to our neighbors, with Stafford at 32%, King George County is at the lowest with 26% and the highest is the city of Fredericksburg. All of the data on the website is interactive so you can create your own data, you can pull and create maps. If you're not comfortable doing that Sarah will happy to help. You can actually drill down to subdivision level within Stafford County. Within Stafford, Rock Hill is the lowest percentage and the highest percentage for Alice is the George Washington District. The report details can be broken down by certain key demographics. There's some data that is surprising for Stafford and some that is not. The highest percentage is single parents, and broken down further, female single parenthood households at 62% compared to married with children (27%). The highest by age is the youngest age range, 18 to 25 years (85%). The lowest is 45 to 64 (25%). So, if you're white, middle aged, married with children you've got the golden ticket. For seniors in Stafford County, it's quite high. Over 65 years of age, it's 53%. Those extremes of the youngest and the oldest, are quite high. By race and ethnicity, white households are only 26% of Alice. Hispanic/Latino households was the highest at 45% in Stafford County, which is unusual compared to the rest of Virginia. Typically, if broken out by race, black households have the highest rates. But that's not true in Stafford County, black households are almost the same as the average in Stafford.

The employment rate is the best it’s been in decades. That's good news and not so good when we look at the type of employment. There is still significant portion of those that are employed hourly, either full time hourly or part time hourly. Around 60% of those that are employed are not full time with salaried status. They don't often have the benefits, they don't have health insurance, paid leave, they don't have the benefit of knowing what their regular schedule will be. That can mean inconsistent hours and pay, which makes it difficult to budget and know what you can afford. One of the biggest things the United Way sees when people are seeking financial assistance is if they've experienced some kind of life event, usually health related, they don't have paid sick leave so not only do they have medical costs there’s the double whammy of then also not being paid for the time they miss and potentially losing their job. Often the focus in the news is that the employment rate is good right now, and it is, but it's the type of jobs.

One thing found with the Alice report, looking at the type of jobs across Virginia and in this area, 60% of the top 20 jobs in Virginia are still paid less than $20 an hour. There was some significant increase across the lower paid jobs during the pandemic. There was significant wage growth but it already started at a fairly low level. So even though it's increased, it's still below that $20/hour marker. That makes it very difficult to afford to live here. Most of those top ten occupations are things like fast food workers, retail, restaurant work, but it does include some IT/data/call center type jobs. Those are the ones that typically are in the 40% that are over the $20/hour range.

In the shared slide the blue column is based on the survival budget for Stafford County for a family of four. So that's two adults and two children. The housing costs, the significant childcare costs, food, health care, transportation, and so on comes in around $95,000 for that family of four to live in Stafford County. The orange colored column, represents a family of four, two adults, both working a $20/ hour job, each full time. Added to their gross income, the green part at the top of that column is for if they should be eligible for tax credits, like child tax credits based on that income, and they still fall short of covering all the costs. The orange and green column is still shorter than the blue column. So even working at that $20/hour mark, two adults, full time, it still doesn't reach covering all the costs or basics. The gray column on the right is the federal poverty level for a family of four in this area. It's considerably lower, it's about $26,000 a year. What happens with the Alice households in Stafford County is they don't quite make enough to cover all the costs, but they definitely don't earn too little enough to qualify for government benefits or social services. Typically, SNAP and TANF type, food stamp type of support are going to use the federal poverty level and double it, so 200%. That’s $40-, closer to $50,000. So, there's that doughnut hole of “you make too much to get help, but not quite enough to cover your bills”.

Ms. Walsh wanted to bring attention to housing cost burden. Housing costs should not be more than 30% of gross income. Data shows households that are below the Alice threshold are spending closer to 50% of their income just on their housing. So that doesn't leave much room for other costs after that. The Alice report for this area found the cost of rent is significantly increasing and available and affordable housing is just not here. Ms. Gary added she had heard from a realtor recently that some of the deposits have crept up significantly as well. You need to have two- or three-months’ rent for deposits.

The most important data from the Alice report is that 26% of Stafford’s workforce can not afford housing.

Presentation by Chip Boyles, George Washington Regional Commission:

Mr. Boyles stated that housing is a very comprehensive issue that can't be corrected by just getting cheap housing. When somebody can't afford to live in the community where they're working they then move until it is more affordable, resolving some of your housing cost issues but you're now adding to your traffic and congestion issues, not to mention your environmental issues by increase travel to and from work and services. And you're also then increasing your normal monthly expenses by increased transportation costs. The GWRC did a strategic plan a few years ago and one of the five major components was building community health. One of the four strategies of building community health is to support the implementation of solutions from the regional housing, affordable study, and action plan. Mr. Boyles provided a list of different strategies to improve housing affordability. GWRC is trying to implement the regional housing and strategic plan to educate our region, bring our stakeholders together, and then start to define where those priority areas are. This is an all-encompassing effort because if one problem gets fixed it effects all other areas. For example, there's not enough market rate housing so a buyer purchases a lower price house and then puts extra investment into that house. Because the buyer has the ability to live where they want to, they just may not get that the house that they want, they can buy a lesser value house, invest more in it, and they've got what they want. But now you've just taken one more house out of that affordable range. And because of the way our tax structure works, as somebody puts an extra $300,000 into that house, the homes around it are now value higher, and the taxes go up. Though you're only looking at changes in the market, you're directly affecting the lower value housing.

The GWRC received a 1-year grant from the Mary Washington Foundation to pull together an Ad Hoc group called the Regional Housing Assembly. A regional summit will be held October 17 at the Expo center. The RHA hopes to bring together market rate builders, nonprofits, lower income developers, state agencies, the local building and codes departments, water and sewer for impact fees, realtors and tax attorneys to identify where the biggest needs are. They hope to make this a long-term sustainable effort.

Dr. Yeung understands that all the pieces such as transportation, income, affordable housing are all intermingled but would like to start small with just workforce housing. GWRC agrees the county and committee should work together and be complimentary of each other.

Ms. Gary requested information about the meeting on October 17 be provided in order to forward to all the Board members.

Unfinished Business:

Review and consider any additions, deletions or edits of the Workforce and Affordable Housing Ad Hoc Committee Draft Charter adopted last month.

After a discussion with County Attorney it was decided the watermark on the attached charter didn't need revision.

Ms. Gary and Dr. Yeung worked together to edit and agreed to the following changes to the approved charter:

- The purpose of the committee is to gain insights into the shortfall and gaps of workforce and affordable housing in Stafford County and to mitigate housing challenges for individuals to include public safety, educators, military and healthcare workers.
- Under Objectives C - Remove the May 31st date.
- Update letter D to identify current workforce-affordable housing inventory and opportunities in Stafford County by demographics within districts. This update merges letter D and E.
- In letter G replace the word perform with explore.
- Combine G and H. Explore and research regional and locality workforce-affordable housing programs. This is in order to understand existing programs within the region. Bullet point state programs, federal programs, etc.
- Letter J - Deliver an executive committee report.

Mr. Santay will rewrite/edit the document and send out later in the day.

Dr. Yeung made a motion to adopt the charter with the changes proposed today. Ms. Gary seconded. The motion passed 2-0.

New Business:

The next meeting is tentatively set for Thursday, July 20. Members will confirm the meeting date/time via email.

Meeting adjourned at 12:29.