

Neighbors: Workforce Housing in Berryville, Virginia

A Policy Framework for Discussion



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Just an Old Guy

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Reader Notice and Disclaimers

Purpose and Use of This Document

This document is provided for informational and educational purposes only. It is intended to support discussion among elected officials, Planning Commission members, staff, and community stakeholders regarding workforce housing concepts, policy considerations, and implementation options relevant to the Town of Berryville.

Nothing contained in this document constitutes a recommendation to adopt a specific ordinance, zoning amendment, or policy action. The material is intended to inform deliberation and assist future decision-making, should the Town choose to pursue further action.

Sources and Research

The analysis, examples, and frameworks presented in this document are drawn from publicly available sources, including federal and state statutes, housing program guidance, planning literature, and case examples from Virginia and comparable jurisdictions.

A bibliography and source reference list are included at the end of the document to ensure transparency and support readers interested in further exploration.

Use of Artificial Intelligence Tools

Portions of the research, organization, drafting, and synthesis of information in this document were supported by artificial intelligence tools, including ChatGPT, in collaboration with human review, editing, and judgment. AI tools were used as aids to research and drafting, not as substitutes for professional planning, policy analysis, or legal review.

Legal Disclaimer

This document does not constitute legal advice and should not be relied upon as a legal opinion. Nothing herein represents the advice or conclusions of a qualified attorney. Any policy, ordinance, or regulatory action contemplated by the Town should be reviewed by qualified legal counsel prior to adoption or implementation.

Executive Summary

Workforce housing refers to housing affordable to households earning moderate incomes—typically between 80% and 110% of Area Median Income (AMI). These income levels closely align with wages earned by teachers, first responders, healthcare workers, municipal employees, service supervisors, and skilled tradespeople who support daily life in Berryville.

Berryville faces a growing gap between local wages and housing costs. When housing becomes unaffordable to local workers, the community experiences longer commutes, reduced workforce stability, and weakened civic engagement. Workforce housing is a strategy to maintain community continuity—not a subsidy program and not a return to historic “company housing.”

Virginia law provides clear authority for localities to plan for housing needs, and modern workforce housing tools can be implemented in ways that comply fully with fair housing and landlord-tenant law. This framework outlines lawful, practical options appropriate for a small town.

1. What Is Workforce Housing?

Workforce housing is housing affordable to households earning moderate incomes, typically measured as a percentage of HUD-published Area Median Income (AMI). While the broad range is often 60%–120% of AMI, Berryville’s discussion focuses on 80%–110% of AMI, which aligns with wages earned by:

- Public school teachers and support staff
- Police officers, firefighters, and EMTs
- Healthcare workers and aides
- Municipal and public works employees
- Retail and service supervisors
- Skilled tradespeople and technicians

These households often earn too much to qualify for traditional low-income housing programs but too little to afford newly built market-rate housing.

2. What “Affordable” Means in Practice

Housing is considered affordable when total housing costs do not exceed 30% of gross household income, including:

- Rent or mortgage payments
- Property taxes and insurance
- Basic utilities

When housing costs exceed this threshold, households may experience financial strain, reduced spending on essentials, and longer commutes to find affordable options.

3. Understanding Area Median Income (AMI)

AMI represents the midpoint of household income in a region: half of households earn more than it, and half earn less. AMI is used to:

- Compare local wages to housing costs
- Define eligibility for housing programs
- Plan for a balanced mix of housing types

Because AMI is calculated regionally, it may not reflect the wage structure of small towns. Berryville's focus on 80%–110% AMI better aligns with local employment patterns.

4. Who Does Workforce Housing Serve?

Workforce housing is intended for people who work in or contribute to the community, including:

- Long-term residents seeking to remain
- Young families beginning their careers
- Mid-career workers priced out of the market
- Employees who currently commute to Berryville

The goal is to support long-term residency and community stability—not short-term or transient occupancy.

5. Why Workforce Housing Matters to Community Stability

Communities thrive when residents can remain over time. Stable neighborhoods support:

- Informal social networks
- Civic participation and volunteerism
- School continuity
- Local investment in homes and businesses

When local workers cannot afford to live in the community:

- Commutes lengthen
- Employers face higher turnover
- Volunteerism and civic engagement decline
- The sense of shared purpose weakens

Workforce housing is a preventative planning tool to address these trends.

6. Relationship to Economic Development

Housing availability and economic development are closely linked. Employers evaluate not only workforce availability but also whether employees can afford to live nearby.

A lack of workforce-priced housing can:

- Limit business growth
- Increase labor shortages
- Reduce competitiveness relative to peer communities

Aligning housing supply with local wages supports sustainable economic development.

7. Summary of Policy Context

- In Berryville, workforce housing:
 - Addresses a documented wage-housing mismatch
 - Supports community stability
 - Strengthens workforce retention
 - Operates within established Virginia planning and legal frameworks
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Legal and Historical Framework

1. Purpose of This Exhibit

This section explains the legal foundations for workforce housing in Virginia and clarifies how modern workforce housing differs from historic employer-controlled housing models.

2. Workforce Housing Is Not Company Housing

Historical Context

- Historic “company housing” tied residency to employment and often limited worker autonomy.
- Modern legal standards—including landlord-tenant law, labor protections, zoning authority, and fair housing requirements—render such models inappropriate today.

Modern Workforce Housing: Key Distinctions

- Is owned by private developers, nonprofits, housing authorities, or community land trusts—not employers
 - Does not condition tenancy on employment
 - Provides full tenant protections under Virginia law
 - Preserves resident mobility
 - Allows employer participation only through voluntary financial support, not control
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3. Legal Authority Under Virginia Law

Comprehensive Plan Authority

Under §15.2-2223, Virginia localities may plan for housing as part of comprehensive planning for:

- Economic development
- Transportation
- Community stability
- Workforce needs

Workforce housing fits squarely within this authority.

Zoning and Land-Use Authority

Under §15.2-2280, localities may regulate land use through zoning, provided regulations are:

- Reasonable
- Consistent with the Comprehensive Plan
- Uniform and nondiscriminatory

Workforce housing is typically implemented through voluntary incentives or proffered conditions.

4. Fair Housing and Nondiscrimination

Federal Fair Housing Requirements

The Fair Housing Act prohibits discrimination based on protected characteristics. Workforce housing policies must:

- Use objective, neutral criteria
- Avoid preferences tied to protected classes
- Apply eligibility standards uniformly

Lawful Initial-Occupancy Tools

Virginia localities may use initial-occupancy tools if they:

- Apply only at initial lease-up or sale
- Use objective criteria such as income, employment location, or residency
- Do not impose ongoing conditions

Examples include:

- Right-of-first-offer marketing periods
 - Point-based priority systems
 - Income bands aligned with local wages
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5. Addressing Common Legal Misconceptions

- “Isn’t this exclusionary?”
No. Workforce housing does not exclude households based on protected characteristics.
- “Does this restrict where people can work?”
No. Employment cannot be monitored after occupancy.
- “Is this employer-assisted housing?”
Only in the modern sense: employers may contribute financially but do not control tenancy.

6. Risk Mitigation and Best Practices

Effective frameworks:

- Clearly state intent
- Apply criteria transparently
- Separate initial occupancy from ongoing tenancy
- Avoid employer control
- Include explicit nondiscrimination language

7. Summary of Legal Framework

Modern workforce housing:

- Is legally distinct from historic company housing
 - Fits within Virginia's planning and zoning authority
 - Preserves tenant rights and fair housing compliance
 - Provides lawful tools to address local housing needs
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Implementation Options for Berryville

1. Purpose of This Exhibit

This section outlines practical, legally defensible workforce housing tools appropriate for small Virginia towns.

2. Guiding Principles

Berryville's approach should emphasize:

- Voluntary participation
 - Consistency with the Comprehensive Plan
 - Fair housing compliance
 - Alignment with local wages
 - Administrative simplicity
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3. Public-Private Workforce Housing Partnerships

Tools may include:

- Density bonuses
- Reduced parking requirements
- Flexible lot sizes or setbacks
- Expedited review

Advantages: encourages private investment and limits public exposure.

Considerations: requires clear eligibility definitions and consistent application.

4. Employer-Assisted Housing (Without Employer Ownership)

Employers may offer:

- Down payment assistance
- Rental assistance
- Forgivable loans tied to length of residency

Safeguards ensure employers do not own or control housing.

5. Community Land Trusts and Deed-Restricted Ownership

These models maintain long-term affordability by:

- Separating land and building ownership
- Limiting resale prices

Best suited for small-scale or pilot projects.

6. Nonprofit or Housing Authority Development

Nonprofits or housing authorities may develop mixed-income projects, leveraging specialized financing and long-term affordability mechanisms.

7. [Zoning Tools Supporting “Missing Middle” Housing](#)

Examples include:

- Duplexes and triplexes
- Townhouses
- Small apartment buildings
- Accessory dwelling units

These tools expand supply without requiring subsidies.

8. Tools Not Recommended for Berryville

Due to legal or administrative concerns:

- Employer-owned housing tied to employment
 - Mandatory residency or employment requirements
 - Ongoing income or employment monitoring
 - Broad rent control measures
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9. Phased and Incremental Implementation

Incremental approaches allow the Town to:

- Monitor outcomes
- Adjust eligibility or incentives

- Respond to market conditions
 - Build public confidence
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10. Summary of Implementation Options

Berryville has access to flexible, lawful tools that:

- Align housing with local wages
 - Support economic development
 - Preserve tenant rights
 - Avoid employer control
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Appendices

Appendix E-1 – Model Workforce Housing Ordinance / Proffer Concepts (Illustrative)

Purpose: Encourage housing aligned with local wages while preserving fair housing protections.

Income Eligibility: 80%–110% AMI, verified at initial occupancy only.

Initial-Occupancy Priority:

Permitted criteria include:

- Employment in the Town
- Employment in the County
- Residency in the Town or County

Prohibited Conditions:

- Conditioning tenancy on continued employment
 - Employer ownership or control
 - Ongoing monitoring of employment or residency
 - Preferences tied to protected characteristics
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Appendix E-2 – Berryville Wage-to-AMI Alignment (Illustrative)

Occupation	Approx. Wage AMI Alignment	
Teacher	\$48k–\$58k	85%–100%
Police/Sheriff	\$50k–\$60k	90%–105%
Firefighter/EMT	\$45k–\$55k	80%–95%
Registered Nurse	\$60k–\$70k	100%–110%
Municipal Staff	\$42k–\$50k	75%–90%
Retail/Service Supervisor	\$38k–\$45k	70%–85%

Appendix E-3 – Legal FAQ

(Condensed for clarity)

- Workforce housing is not the same as low-income housing.
 - Local worker preference is allowed at initial occupancy.
 - Employment cannot be monitored after move-in.
 - Employer-assisted housing is allowed without employer control.
 - This framework does not require zoning changes.
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Appendix E-5: Existing Capacity Within Zoning & Land Use Framework

Workforce Housing Capacity Analysis – Town of Berryville, Virginia

Purpose and Scope

This section illustrates the potential capacity of existing Berryville zoning districts to accommodate workforce-accessible housing, particularly for entry-level and apprentice households (1–3 persons). The analysis is intended to provide a starting point for discussions that lead to action.

Berryville Housing Cost Context

For planning purposes, a minimum realistic housing cost of \$28,000 per year (\$2,330/month) is used for Berryville. This reflects Clarke County’s inclusion in the Washington–Arlington–Alexandria HUD Fair Market Rent area and Berryville’s limited rental inventory.

Zoning District–Specific Capacity Assessment

The following subsections evaluate practical workforce housing capacity by zoning district, emphasizing realistic development outcomes rather than theoretical density limits.

R-1 Low-Density Residential

- Allowed forms: Detached single-family dwellings.
- Workforce feasibility: Low.
- Capacity estimate: Low.
- Planning note: R-1 zoning does not meaningfully contribute to workforce housing absent ADUs or subsidy.

R-2 Medium Density Residential

- Allowed forms: Duplexes and limited attached housing.
- Workforce feasibility: Limited and site-specific.
- Capacity estimate: Low–Moderate.

R-3 / Multifamily Residential

- Allowed forms: Apartments and stacked multifamily.
- Workforce feasibility: Highest potential for workforce units.
- Capacity estimate: Moderate–High.

CBD / Downtown Commercial

- Allowed forms: Upper-story residential above commercial.
- Workforce feasibility: Strong for small units near services.
- Capacity estimate: Moderate.

Mixed-Use / Transitional Districts

- Allowed forms: Residential and non-residential uses.
- Workforce feasibility: Feasible where residential is clearly permitted.
- Capacity estimate: Moderate.

Accessory Dwelling Units (ADUs)

- Allowed forms: Detached or attached accessory units.
- Workforce feasibility: High incremental impact.
- Capacity estimate: Low individually / Moderate cumulatively.

Summary Capacity Conclusions

Berryville's practical capacity to deliver workforce-priced housing is constrained but not absent. Meaningful capacity is concentrated in multifamily, mixed-use, and incremental infill forms.

Findings

1. Housing costs in Berryville exceed levels affordable to most entry-level and apprentice workers.
2. This mismatch contributes to labor retention challenges and extended commuting patterns.
3. Existing zoning districts provide uneven capacity to address workforce housing needs.
4. Multifamily, mixed-use, and accessory dwelling units offer the most significant opportunity for improvement.
5. Modest zoning adjustments could yield meaningful workforce housing capacity without altering community character.
6. Workforce housing availability is a relevant consideration in zoning and land-use decisions affecting Berryville's long-term economic stability.

Conclusion

Under current zoning, Berryville possesses limited but actionable capacity to address workforce housing needs. Strategic use of existing districts can materially improve affordability outcomes for local workers.

