

should the county plan to address the increased need and expectation for public services based on the projected population growth?

- The relocation of families into the county appears to be the primary source of the in-migration and contributes to the increasing numbers of school-aged children. How should the county plan for potential increases in school-aged children?
- There is also a growing senior population in the state due to aging in-place and migration. What additional services and facilities should the county consider to meet this growing segment of the population?
- Overall the number of minority populations in the county is low. However, the socioeconomic data indicate that the highest poverty rates that do occur in the county are among the black population. What should the county do to address poverty, especially among blacks and children where high rates are most prevalent?
- Areas of the county, such as Verona, have been identified as areas with significant concentrations of female-headed households, which is an indicator of potential socioeconomic concern. What should the county do to help support female-headed households?

E. Housing

The Center for Housing Research at Virginia Polytechnic Institute and State University (Virginia Tech) conducted an analysis of housing conditions and trends for inclusion in this section. The complete study is included in the Appendices.

1. Homeownership

Homeownership is higher in Augusta County than for the state as a whole (83.2 percent of Augusta households in 2000 were homeowners versus 68.1 percent statewide). Augusta County attracts family households that prefer homeownership and continued population growth is expected to put demands on the ownership housing market to a much greater extent than on the renter market. In Augusta County in 2000, 76.2 percent of households were family households, compared to 68.5 percent statewide. In fact, almost 40 percent of all respondents in the public opinion survey, conducted by the county in June 2005, indicated that one of the top three things they liked best about the county was that it was a great place to raise a family. Family households also favor homeownership. Of all homeowners in the county, 79.3 percent were family households. Nearly 87 percent of all family households lived in owner-occupied housing units.

Race

Although homeownership is high in the county (83.2 percent), rates vary across races and ages. Although the minority population in the county is fairly small and disparities in incomes, poverty, and homeownership between blacks and whites

have narrowed, some disparities remain. The median income for black households is 26.3 percent lower than for white households and the poverty rate for blacks is 10.8 percent higher than for whites. At the same time, the homeownership rate for blacks is only slightly lower than for whites and significantly higher than for blacks as a whole in Virginia.

The table below presents 2000 homeownership rates by race in Augusta County. Homeownership rates were particularly high for blacks (78.5 percent) as compared to the state (51.3 percent). There was a 5 percent gap between the white and the black homeownership rates in Augusta County. This gap was much smaller than the discrepancy statewide (22.2 percent).

Table 18. Homeownership by Race in Augusta County, 2000

	Augusta County	Virginia
Total Population	83.2%	68.1%
White	83.4%	73.5%
Black	78.5%	51.3%

Source: U.S. Census Bureau, 2000.

Age

Homeownership becomes more common as householders age. Rates in Augusta County in 2000 varied from 34.6 percent (15 to 24 year olds) to 91.3 percent (65 to 74 year olds). While the youngest age cohort underwent declining homeownership between 1990 and 2000, both the 24-34 and the 35-44 age cohorts maintained their homeownership rates between 1990 and 2000. Augusta County had much higher homeownership rates than the state in 2000 for the 25-34 and 35-44 age cohorts.

2. Affordability

Housing affordability is not a problem for most households in the county as approximately 75 percent (11,337 of 15,304 homeowners) of homeowners in the county paid less than 25 percent of income on selected housing costs in 2000.²³ Many low-income households, however, require assistance to afford housing. According to the 2000 Census, 3,403 low-income homeowners and 1,117 low-income renters needed assistance in affording housing without paying greater than 30 percent of their income for housing costs. Housing demand by households with incomes below \$25,000 (in year 2000 dollars) is projected to increase during the current decade by nearly 865 units for owners and by 304 units for renters for a total of 1,169 households. In addition, some areas of the county have concentrations of significant housing problems that may need to be addressed.

²³ Augusta County Housing Report, Center for Housing Research, Virginia Tech, April 2005.

HUD's Comprehensive Housing Affordability Strategy (CHAS) data from 2000 also reveals an affordability problem for low-income homeowners (households with less than 80 percent of the median family income). Nearly two-thirds (656) of owners with incomes below 30 percent of the area median family income (AMFI) were cost burdened and about 45 percent (460) had cost burdens of paying 50 percent or more of income for housing. The incidence of housing affordability problems declined more dramatically as income approached the median and only a few owners (8 percent) with incomes above 80 percent of the AMFI level devoted more than 30 percent of their income to housing costs (and almost none had cost burdens above 50 percent of income). In total, there were 2,313 low-income owners with cost burdens over 30 percent AMFI, including 1,031 with cost burdens over 50 percent AMFI.

Homeowner cost burden is partially determined by the price of housing. Owner-occupied homes valued at \$125,000 and above were twice as likely to exist in the county as in the cities. The inverse was true for homes valued under \$50,000. The median value for owner-occupied housing units was 25 percent higher in the county than in the cities. The largest increases in median costs of housing between 1990 and 2000 were seen along the Route 250/I-64 corridor between Staunton and Waynesboro and in the area immediately to the west of Staunton.

**Table 19. Value of Owner-Occupied Housing Units
in Augusta County, 2000**

Value	Percent of Total Units
Less than \$50,000	3.9
\$50,000 to \$79,999	17.7
\$80,000 to \$99,999	20.8
\$100,000 to \$124,999	17.6
\$125,000 to \$149,999	15.8
\$150,000 to \$174,999	7.9
\$175,000 to \$199,999	5.9
\$200,000 to \$249,999	5.9
\$250,000 to \$299,999	2.5
\$300,000 to \$399,999	1.1
\$400,000 to \$499,999	0.5
\$500,000 to \$749,999	0.3
\$750,000 to \$999,999	0.1
\$1,000,000 or more	0.2

Source: Augusta County Housing Report, Center for Housing Research, Virginia Tech, April 2005.

Rent

Rent affordability generally improved from 1990 to 2000 in the county. More than 51 percent of renter households in the county paid less than 25 percent of household income on rent (with 14.5 percent not computed) in 2000. However, a greater percentage of renter households in Augusta had cost burdens in excess of

30 percent as compared to owner households. More than 34 percent of renters paid greater than 25 percent and over 7 percent paid greater than 50 percent of income for housing. Areas experiencing rent affordability problems due to lack of units and concentrations of low-income populations include Weyers Cave, the Route 250/I-64 corridor, a portion of Hankey Mountain Highway, and the area around Dooms.

Rent levels in the local market have not kept up with overall inflation. The median rent in Augusta County increased from \$357 in 1990 to \$413 in 2000—failing to keep pace with inflation by \$57 per month. The highest median contract rent in the county was found in Stuarts Draft at \$438 per month in 2000.

There is also a lack of affordable rental units. In Augusta County, 2000 CHAS data revealed a supply gap of 251 units for extremely low-income renters, 462 for very low-income renters, and a total supply gap of 1,117 units for all low-income households. There is a particular shortage in rental units that would support large families, such as units with three or more bedrooms, thus contributing to overcrowding conditions in some cases.

3. Manufactured Housing

In 2000, manufactured housing units accounted for more than 13 percent of the total housing stock of Augusta County and 16 percent of the rental unit stock. Manufactured housing units are widely dispersed with a few notable clusters occurring along the Route 250/I-64 corridor, in the Crimora area, and in the Stuarts Draft area. The total number of new manufactured housing units declined by 11 units in 2003. In 2004, mobile and manufactured units accounted for 18 percent of all new housing units in the county, a decrease of two percent from 2003. Mobile homes present a viable form of affordable housing in Augusta County. However, manufactured housing, as with other types of housing, still can be unaffordable, substandard, or both. According to Census data, the renter-occupied mobile home units in the county are much older than owner-occupied units and may consequently be substandard.

4. Housing Demand

Current Demand

Between the 1990 and 2000 decennial censuses, Augusta County approved 5,083 building permits, and 4,984 new households were built in the county. The permit to new household ratio is, therefore, approximately 1.02.²⁴ This means that although construction is generally keeping up with demand, it allows for very little vacant housing or replacement of older units. This translates into a fairly tight housing market. While this has not affected the rents in the county, it may

²⁴ Ratio has margin of error based on error in Census data and the discrepancy between permit approval dates and project completion dates.

be a contributing factor in owner-occupied housing costs rising at higher rates than inflation between the censuses.

The 2000 Census year structure built data, shown in **Table 20**, provides some estimation of the past rate of replacement of the housing stock. Between 1990 and 2000, Augusta County lost 12.6 percent of housing units built between 1970 and 1979 and lost 7.8 percent of all units built before 1979. This indicates a moderate rate of replacement in the housing stock, which again signals that the housing market for 2000 was tight, given the permit to household ratio. This is predictable for a housing market that largely comprises new housing (more than 44 percent of the county’s housing stock as of 2000 had been built since 1980).

Table 20. Year Structure Built in Augusta County, 1990 and 2000 Census Years

Years Built	2000	1990	Difference
1990 – 2000	7,143	851	6,292
1980 – 1989	4,633	4,120	513
1970 – 1979	4,927	5,639	-712
1960 – 1969	2,871	3,268	-397
1959 or earlier	7,164	7,324	-160
Total	26,738	21,202	5,536

Source: U.S. Census Bureau, 2000.

Housing permit data between 1997 and 2004 (**Table 21**) show that construction has accelerated in the county in recent years while remaining static in Staunton and diminishing slightly in Waynesboro. Augusta County’s predicted growth in single-family units has accelerated since 1997. Significantly more growth in multifamily units has transpired in the last two years than in the six preceding years. The most recent large multifamily unit addition occurred in 2004 with the construction of 173 multifamily units.

Table 21. Building Permits in Augusta County by Year, 1997-2004

Year	Total Number of Permits	Number of Single-Family Permits	Number of Multi-Family Permits
2004	653	480	173
2003	622	563	59
2002	520	517	3
2001	477	447	30
2000	467	467	0
1999	489	480	9
1998	615	461	154
1997	386	365	21

Source: Augusta County Housing Report, Center for Housing Research, Virginia Tech, April 2005.

Projected Demand

Augusta County is expected to grow by 3,545 households from 2000 to 2010 and will add an additional 2,245 households by 2020. This presents a sharp drop from the 5,037 increase in households during the 1990s. Between 2000 and 2020, the county is projected to need 5,158 owner-occupied units but only 633 additional renter-occupied units (**Table 22**). The number of new multifamily units built in the county so far this decade is close to the increase in renter demand between 2000 and 2020. This could reflect a change in development patterns and a higher level of rental housing demand in the county.

Table 22. Total Projected Households in Augusta County by Tenure, 1990-2020

	1990	2000	2010	2020
Owner	15,931	20,628	23,654	25,786
Renter	3,850	4,190	4,710	4,823
Total	19,781	24,818	28,363	30,608

Source: Augusta County Housing Report, Center for Housing Research, Virginia Tech, April 2005.

The largest increase in demand for rental housing between 1990 and 2020 is estimated to be in the current decade, between 2000 and 2010. Although population growth in Augusta County currently draws heavily on the in-migration of young adults, projections indicate that the county's growth will shift to middle age households and retirees, as most of the population ages in place. This indicates that while currently a younger population is being attracted to the county, potentially relying initially on rental housing, in the long-run, single family housing will be more important.

5. Areas of Concern

Declining house values, incomes, or ownership rates help to identify areas of distress in the county. Only one area in the county, the northwestern part of Fishersville, had a significant decline in both income and homeownership rates between 1990 and 2000. In the county, rising costs pose a potential threat to affordability, but for the most part this is offset by higher incomes. The areas west of Crimora and Dooms, on the other hand, are growing quickly and may suffer from future affordability issues as is the portion of the county surrounding the Scenic Highway near Rockingham County.

6. Planning Issues

Based on the available data regarding housing, the following planning issues have been identified:

- According to the Virginia Tech Housing Assessment for the county, housing demand continues to grow. In order for the county to keep pace

with development demands there will need to be 3,500 residential units developed between 2000 and 2010. How should the county address the growing demand for housing while also managing growth?

- According to the 2000 Census, there was a significant shortage in affordable units both for owners and renters. How should the county address the affordable housing issue, especially given that the number of low-income households is projected to increase?
- Housing cost burdens, which are based on the ratio of income to housing costs, have been increasing since 1990 for households in the county that earn between 30 and 50 percent of the median family income. How should the county address the issue of extreme rent burden, particularly in the areas where high concentrations have been identified?
- The current age of the stock of renter-occupied mobile homes indicates that increased maintenance may be required to maintain minimum housing standards. What mechanisms should the county consider in order to ensure that mobile homes, particularly those available for rent, are adequately maintained?

F. Employment and Economy

1. Diversity of Major Sectors

The work force in the Augusta County area is composed of persons working in many different sectors. The economy was initially built around the productivity of the land. While agriculture remains an important component of the local economy, more and more people are employed in non-agricultural enterprises. The manufacturing, government, tourism, retail trade, and agricultural sectors are described individually below.

Manufacturing

Manufacturing plays a very important part in the Augusta County economy. Waynesboro has traditionally been the manufacturing center of the area and the region. However, the number of manufacturing firms located in Augusta County and the City of Staunton has increased steadily over the years.

Manufacturing activities, as a whole, in the Augusta County area are classified in the nondurable goods sector. There are, however, some durable goods manufacturers in the county. The major manufacturing and industrial concerns operating in the area are listed in **Table 23**. Some of the largest categories in terms of employment are food, textiles, fabricated metal, machinery, rubber, and plastics. There are also a number of smaller manufacturing firms (fewer than 15 employees) not included in this list, particularly in lumber and wood products and printing and publishing.