Virginia Housing Commission

Meeting Summary

Tuesday, August 18th, 2026, at 10:00 a.m.
House Room B, General Assembly Building

Attendance

- **Members Present:** Sen. Mamie E. Locke, Sen. Lashrecse D. Aird, Sen. William M. Stanley Jr. (virtual), Del. Adele Y. McClure Del. Eric J. Phillips, Del. Briana D. Sewell, Del. Marcus B. Simon, Del. Joshua Thomas (virtual), Joshua Goldschmidt, Ashley Welburn
- **Staff Present:** Director Jesseca Hoff, Molly Bowers.
- **Public Present:** Approximately 56 individuals.

Call to Order & Introductions

Delegate Briana Sewell called the meeting to order at 10:00 a.m.

Workgroup Updates

- **Local Rent Regulation (Senator Locke):** The workgroup reviewed SB 355 and HB 278 regarding rent regulation. No consensus was reached.
- **Fees and Residential Rental Agreements (Delegate Simon):** The group is nearing a consensus on legislation addressing security deposits and pre-lease "junk fees." They will next review fees charged during a tenancy.
- **Algorithmic Pricing (Senator Aird):** The workgroup established small groups ahead of the next workgroup meeting. The small groups will work to refine definitions, establish compliance thresholds, and partner with Virginia State University's AI Center for modeling analysis to examine different paths regarding data exclusions.

Staff Study Progress

Executive Director Jesseca Hoff provided updates on several ongoing staff studies:

- **SB 270:** Staff are studying protections for tenants receiving housing as a benefit of clinical substance use treatment (report due November 1).
- **VRLTA Impacts:** Staff will produce a comprehensive report on recent legislative changes to the Virginia Residential Landlord and Tenant Act.
- **HB 1518:** A stakeholder group has been established to review "Buyer Beware" residential property disclosure laws as required in HB 1518.
- **Eviction Rates:** Staff will present the annual statewide eviction data report in November.

Presentations

Economic & Housing Market

Ryan Price, Virginia Realtors

- **Economic Growth & Employment:** Mr. Price stated that GDP growth is expanding slowly, but Virginia's job growth is tracking lower than the U.S. average. He noted that Virginia shed roughly 4,300 payroll jobs on net in 2026, driven primarily by losses in professional and technical federal contracting jobs as well as manufacturing.
- **Mortgage Rates & Buyer Recalibration:** He reported that 30-year fixed mortgage rates sit around 6.67%. However, he noted that after several years of elevated rates, buyers and sellers have "recalibrated" their expectations, resulting in stronger sales activity than seen in 2023, 2024, or 2025.
- **Inventory & Price Growth:** He stated that statewide home sales are up 5% year-to-date, but inventory remains tight at 3.1 months of supply. Price highlighted that median price growth has returned to a normal rate of 3% statewide, while larger markets like Northern Virginia and Harrisonburg are experiencing essentially flat price growth.
- **Competitive Market Conditions:** Mr. Price explained that homes sell in a median of two weeks across Virginia (and about one week in Northern Virginia), with sellers receiving nearly 100% of their asking price.
- **Permitting Trends:** Price noted that Virginia's total housing permits have remained relatively flat since the Great Recession, but smaller metros and rural areas have now equaled Northern Virginia and Richmond in residential permitting.

Questions

- **Delegate Simon** asked if Virginia Realtors had examined whether homeowners are selling to avoid hitting federal capital gains tax thresholds ($250k single / $500k married), noting that this tax cap might explain some of the recent increase in seller listings in Northern Virginia.
    - **Ryan Price** responded stating that they have not measured that specific dataset for Virginia, but noted that National Association of Realtors (NAR) research suggests federal legislative changes to capital gains caps would unlock significant market activity and release bottlenecked housing inventory.
- **Delegate Phillips** asked if Mr. Price had insights or data regarding the high costs of water, sewer, and road infrastructure ($1,800 per linear foot for roads) in rural communities, asking how developers can make 50-home developments pencil out as affordable housing.
    - **Ryan Price** replied that local fiscal budgets are tight, suggesting that a cost-sharing framework between state, local, private, and special tax districts is needed. He stated that shifting to long-term strategic infrastructure planning (rather than reactive planning after housing demand arrives) is essential to move the needle.

Demographic Shifts

Hamilton Lombard, Demographer

- **Migration Trends:** Mr. Lombard reported that after a decade of net out-migration, Virginia is once again attracting more residents than it loses. He emphasized that this growth is concentrated in smaller metros and rural counties (such as the Blue Ridge, the Bay area, and the DC-Richmond-Charlottesville triangle) rather than Northern Virginia.
- **Remote Work Impact:** He stated that remote and hybrid work schedules remain widely used (about half of federal employees still report working remotely), operating like the post-WWII interstate highway system by allowing workers to live much farther from urban centers.

- **Charlottesville/Shenandoah Valley Example:** He illustrated how high costs in urban hubs cause cascading migration. He noted that Charlottesville's high housing costs ($750k+ for new detached homes) drive locals into the Shenandoah Valley, leading to a situation where more people commute from Waynesboro to Charlottesville for work than stay in Waynesboro.
- **Aging in Place:** Lombard highlighted that older adults (ages 65+ and 85+) represent the fastest-growing demographic. He stated that older Virginians are overwhelmingly "aging in place" in 3- to 4-bedroom single-family homes rather than downsizing, which limits housing turnover for younger families.
- **Public School Enrollment Disconnect:** He stated that because older households have fewer children and overall child populations are dropping, local governments can no longer assume that new single-family residential development will automatically increase public school enrollments.

Questions

- **Delegate McClure** asked if data exists regarding young families owning units in multifamily developments, and followed up asking if states that allow "single-stair" building designs see a higher rate of family-friendly multifamily homeownership.
    - **Mr. Lombard** replied that condo purchases by families with children remain very low statewide (even in Arlington County), whereas townhomes attract families at rates comparable to single-family detached homes. Regarding single-stair designs, he promised to follow up with further research, noting that Arlington County found ground-floor apartments with direct ground exits were significantly more attractive to families.
- **Josh Goldschmidt** asked for an update on past projections showing Virginia's labor force flattening through 2030.
    - **Mr. Lombard** stated that the number of domestic youth turning 18 is declining, meaning labor force growth relies almost entirely on immigration. He analogized regional competition for workers to "two men hiking running from a bear," stating that because the labor pool isn't expanding, one region's gain is another region's loss.
- **Delegate Phillips** noted that many seniors in their 80s want single-level homes with attached garages, but options are severely lacking in rural Virginia. He asked if townhome data includes these garage/patio home styles and if more research can be done on providing downsizing options.
    - **Mr. Lombard** agreed that single-level and 55+ housing products have been under-built in rural areas. He stated that providing attractive "age-in-place" single-story homes for seniors is crucial because it frees up larger single-family homes for younger growing families, and committed to researching this topic further.
- **Delegate Sewell, *Chair*** asked if Mr. Lombard could conduct a statewide analysis comparing the total number of housing units permitted/approved by localities against the number of homes that actually get constructed.
    - **Mr. Lombard** stated that while this was previously a massive task, modern AI and language tools (like Claude) make it possible to scrape local assessor database websites, making a statewide comparison of permitted versus built homes a relatively small and feasible project.

Real Property Tax Bills (Resource Protection Areas)

Executive Director Jesseca Hoff summarized a draft bill (originally introduced by Senator Scott Surovell) requiring localities subject to the Chesapeake Bay Preservation Act to include a notice on annual real property tax assessment notices starting in 2028 indicating whether a property is located within a Resource Protection Area (RPA). The Commission discussed a proposal requiring local real property tax assessments to notify homeowners if their property falls within a Chesapeake Bay Resource Protection Area (RPA) starting in 2028. Representatives from the Virginia Association of Counties (VACO) and the Virginia Municipal League (VML) raised concerns that mapping discrepancies versus field verifications could cause confusion, and that taxpayers might mistakenly link the RPA notice to the dollar amount of their property assessment.

- **Delegate Marcus Simon:** Delegate Simon stated that he supports the concept of placing RPA notices on tax bills. He noted that tax rolls are one of the very first places contractors, buyers, and builders look when researching property, making it an ideal "flashing red light" to alert owners before they build additions or decks.

Public Comment

- **Ross Weaver (Virginia Floodplain Management Association):** He urged the Commission to expand HB 1518 recommendations to mandate disclosure of known flood risks and prior flood damage. He stated that relying solely on National Flood Insurance Program (NFIP) claims misses the vast majority of flood events because only 3% of Virginians carry flood insurance.
- **Anai Castillo:** Speaking through an interpreter, she testified about living in a manufactured home park for 12 years where lot rent rose from $400 to $725 without community improvements. She urged lawmakers to pass anti-rent gouging caps to protect working-class families.
- **Tina Brownell:** She stated that uncapped rental increases make it difficult for Section 8 recipients to secure housing, noting her own rent was increased to $1,000. She argued that housing should not be a mechanism for landlords to get rich without making repairs.
- **Lynn Evans (Community Member):** She stated that simple/humble public housing should be maintained with federal funds and noted that development proffers per parcel help offset municipal costs for fire, police, and public infrastructure.
- **Delaney (Former Rent Relief Worker):** They testified that uncapped rents lead directly to displacement and homelessness, stating that rent caps are a "matter of life or death" for low-income tenants.
- **Kashish Pillai (New Virginia Majority):** She spoke in strong support of anti-rent gouging legislation, characterizing it as a critical consumer protection and anti-displacement tool that preserves affordable housing and stabilizes local communities.

Adjournment

The meeting officially adjourned at 11:21 a.m.