

My kingdom for a house?

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INTRODUCTION

"No one can serve two masters; for a slave will either hate the one and love the other, or be devoted to the one and despise the other. You cannot serve God and wealth. Therefore I tell you, do not worry about your life, what you will eat or what you will drink, or about your body, what you will wear. Is not life more than food, and the body more than clothing?"

Matthew 6:24-25 (NRSV)

"You cannot take advantage of something you are dependent on without hurting yourself."

--Wendell Berry, *The Unsettling of America*

"Form follows function; buildings serve a purpose. For good or ill buildings, from the humblest garden shed to the grandest cathedral, make moral statements." T. J. Gorringer, *A Theology of the Built Environment*

Charlottesville: The #1 City in America, but for whom?

Charlottesville, Virginia is the #1 place to live in the United States according to Frommer's *Cities Ranked & Rated* (2004). "Nestled between the flatlands of the east coast and the peaks of the Blue Ridge Mountains," the Charlottesville Chamber of Commerce boasts, "[Charlottesville] is small enough to offer the laid-back feel of small-town life and diverse enough to provide a plethora of things to experience." As Christians living in Charlottesville it seems that, like the Psalmist, we can give thanks to God and say, "The boundary lines have fallen for me in pleasant places; I have a goodly heritage" (Psalm 16:6, NRSV).

Cities Ranked & Rated in 2004 notes one problem, however--Charlottesville's high housing prices: "Median home prices of \$177,000 are the only real negative and directly reflect the quality of life and resistance to sprawl. The area does well in all other categories. Mr. Jefferson would be proud."

The median home price in the city of Charlottesville at the end of the first quarter of 2006 was \$277,000, fully \$100,000 more than the 2004 figure cited by Cities Ranked & Rated.

The Congregation and City Work Group of the Project on Lived Theology is a group of pastors, students, academics and local community-builders that has met over the last three years to consider issues facing the citizens and congregants of Charlottesville. As we have listened to experts, activists, politicians, developers, employers and neighbors, the problem of housing prices continues to come up. The issue of ever-increasing housing costs in our city is not simply a “negative.” It is a crisis affecting the lives of thousands of our neighbors.

We believe this is a pressing issue that Christians and people of goodwill in Charlottesville must face. We offer this booklet as a beginning. As you read it, consider not what would make Mr. Jefferson proud, but what would please God. What would Jesus Christ have us do for Charlottesville to truly be the #1 place to live in America--for everyone?

HOUSING IN CHARLOTTESVILLE

The Charlottesville region has set home sales records for seven years straight. Along with this growth has come a drastic increase in the median sales price.

Illustrative Facts and Statistics

- As we pointed out earlier, the median sales price for a house in the city of Charlottesville in the first quarter of 2006 was \$277,000. This figure is 23% higher than the 2005 median of \$247,428.

- Average residential sales prices in Charlottesville in 2006 were \$186 per square foot, up 8% from 2005. The 2005 figure of \$174 per square foot reflected a 20% increase from 2004.
- Assuming a 30-year mortgage with a 6% interest rate and 20% down, purchasing a home at the median Charlottesville price requires a salary of \$74,772.
- The median Charlottesville family income in 2000 was \$45,100.
- The value of housing in Charlottesville increased by 39% from 1990 to 2000 but the median household income increased by just 28% during that time. Though a more recent median income figure is not available, it is highly likely that the increase in median housing prices has far surpassed any rise in median income.
- According to Virginia Code and the Department of Housing and Urban Development (HUD), housing is “affordable” when it costs no more than 30 percent of household income. A prospective homebuyer with an income of \$45,100 is qualified for an approximate maximum mortgage of \$150,000 (assuming a 6% interest rate).
- In 2000, 19.2% of Charlottesville’s families with children lived below the poverty level.
- In 2000, 37.7% of families with children headed by women lived in poverty.
- The family poverty rate in Charlottesville increased from 7.5% in 1980 to 12% in 2000.

Implications

Poverty is an invisible reality in Charlottesville. Rising poverty rates and rising housing costs are a dangerous combination. Housing is a basic human need. Forty percent of Charlottesville already spends more than 35% of its income on housing. HUD says that households that pay more than 30% of their income for housing are “cost burdened” in that they probably have difficulty affording other necessities such as food, clothing, transportation and medical care.

Middle-income wage-earners have been priced out of the housing market.

Teachers, police officers, hospital workers and other middle-income wage-earners who wish to own a home find it very difficult. The Charlottesville Area Association of Realtors, in partnership with the Piedmont Housing Alliance, has spearheaded a program called the Work Force Housing Fund that provides key public service sector workers with no-interest loans for down payments. Their goal is to make up to three loans a year. This program is certainly providing a helpful service. But why must such workers secure outside assistance just to own a home?

The working poor are the most vulnerable and least served in the current market.

Low-income, wage-earning homeowners who have lived in Charlottesville for decades (sometimes their whole lives) find themselves at the mercy of rising values. When assessments rise, property taxes rise, and these homeowners are often forced out of their neighborhoods as a result. Because homes no longer desirable to high-income homeowners aren't as immediately available to low-income households, they may have to give up the possibility of home ownership or look for housing in distant, outlying counties—a problem for those who don't own or have the means to maintain a vehicle to commute to in-town work.

Charlottesville: a city for the rich and pampered?

If a median home sales price of \$177,000 in 2004 was a negative to Cities Ranked & Rated, what does a median price of \$277,000 indicate? Will only the wealthy be able to live here? Will the wonderful amenities of our small city be available only to those who can buy their way in? Many who live within blocks of the downtown mall can't afford to shop there. Are these Charlottesvilleans no longer welcome?

TOWARD A CHRISTIAN RESPONSE

O God, your unfailing providence sustains the world we live in and the life we live: Watch over those, both night and day, who work while others sleep, and grant that we may never forget that our common life depends on each other's toil; through Jesus Christ our Lord, Amen. The Book of Common Prayer, page 134.

God calls us to love our neighbors and serve the poor. How does our faith inform the renting, buying or selling of a home? How are we to love our neighbors in the midst of an affordable housing crisis?

Biblical Reflection

'Be on your guard against all kinds of greed'

Then [Jesus] said to them, "Watch out! Be on your guard against all kinds of greed; a man's life does not consist in the abundance of his possessions." Luke 12:15 (NIV)

A few years ago, a home was put up for sale by its owners. The neighborhood was generally known to be "desirable" and houses typically sold quickly. The owners were also members of a local church. The asking price for this modest-sized but attractive house was over \$420,000—astronomical even for that neighborhood. Later, the owners hired a real estate agent, presumably because the house wasn't selling. The price was lowered to just under \$400,000. The house eventually sold.

Why set such a high price?

Did anyone in their church challenge these homeowners about the asking price they determined for this house? Did the homeowners have any idea of the impact that selling a house for that amount would have on surrounding properties and the neighborhood? It may very well have raised the property values of homes on that street. But isn't that good? For a seller, yes. For a buyer, no. For residents with healthy incomes, yes. For middle-income residents, no. Higher property values mean increases in property taxes, and if the increase is dramatic, some residents may no longer be able to afford to keep their house.

And since part of the purpose of this booklet is to challenge our thinking about housing and real estate, we must ask ourselves: Why is it a given that a house must be sold to the highest bidder?

'God was pleased to reconcile to himself all things'

He [Christ] is the image of the invisible God, the firstborn of all creation: for in him all things in heaven and on earth were created, things visible and invisible, whether thrones or dominions or rulers of powers—all things have been created through him and for him. He himself is before all things, and in him all things hold together, He is the head of the body, the church; he is the beginning, the firstborn from the dead, so that he might come to have first place in everything. For in him all the fullness of God was pleased to dwell, and through him God was pleased to reconcile to himself all things, whether on earth or in heaven, by making peace through the blood of his cross. Colossians 1:15-20 NRSV

If in Jesus Christ all things hold together, then he is Lord over work, play, money, family. Economic transactions, neighborhoods, automobiles, education, church, medicine, retail—over all these things Jesus Christ reigns as King. All things exist in service (or disservice) to Him, and in all things he is Lord.

So it follows that Christ is Lord over real estate, over the buying and selling of homes, over the building and tearing down of structures, over the raising and lowering of interest rates, over the use and misuse of land. He is Lord over the setting of selling prices. He is the Lord of "location, location, location." He is Lord of every displaced resident, every flush seller, every weary buyer. And He is Lord of the flush buyer and weary seller as well.

How can we honor the Lord of all things in our care for neighbor and neighborhoods, our business transactions, our housing?

We also commend these Scripture passages for study and reflection: Isaiah 58, I Timothy 6, Acts 4:32-34.

Faithful Innovation: Sunrise Park

In 2004, Habitat for Humanity of Greater Charlottesville purchased the Sunrise Trailer Park in lower Belmont. The 2.3-acre property had been for sale for almost two years in a neighborhood famous for its gentrification, leaving 18 families wondering what would become of their homes after the property was purchased. Enter Habitat for Humanity.

Using a combination of the traditional Habitat approach to providing affordable housing and a commitment to preserving a long-established neighborhood, Sunrise Trailer Park will become Sunrise Park, explains Overton McGehee, Habitat Executive Director, "by using the very market pressures that threaten to displace trailer park residents in growing communities....Habitat donors will help fund the affordable housing at Sunrise Park, while the units that are sold on the open market will help fund the affordable housing for the next mixed use community we develop." Not one resident will be displaced during construction.

The Charlottesville Community Design Center held an international competition to find designs for the neighborhood. The winner, Prone of Cambridge, Massachusetts, was announced in July 2005.

Current residents can remain, new homes will be available for eager buyers, and more funds will become available for another project that can preserve a neighborhood as well as provide additional housing. Sunrise Park is an example of how a unique approach at the local level can bring justice to bear on a nationwide problem. We have the ability, with God's help and by virtue of our decisions and practices, to effect real and lasting change.

CONCLUSION

For Further Discussion

As the Kingdom of God is and will be inhabited by a holy diversity of people, so is Charlottesville for all kinds of people. Charlottesville is a small city with a finite amount of space. Not everyone can live here. But is it right and just for those who can buy their way in to be able to live in Charlottesville, while lifelong residents are forced out by soaring prices?

We do nothing in a vacuum. Our choices to buy, sell or rent a property have an impact on our neighbors and our city. Buying a house for \$100,000 and selling it one year later for \$175,000 has a tremendous effect on those who live around that house. How might we as individuals, churches and/or a community take responsibility for those consequences?

We are dependent on each other. What happens to a city when the people who teach children, pastor churches, patrol streets, serve the ill in hospitals, provide emergency services, and work at UVA in maintenance, facilities management or the dining halls can't

afford to buy a house in the very city in which they work? What happens to a city when a neighborhood with deep historical roots and lifelong residents becomes so attractive to developers and “flippers” that property values rise beyond the ability of those lifelong residents to keep up?

Houses are meant to be lived in. All of our lives are lived before God (“For in him we live and move and have our being.” Acts 17:28). Every place and every time is sacred, set aside for God’s purposes and intentions. For many years, the American Dream has included buying a house. Now, real estate is considered by many as simply an investment to be sold at an opportune time. How might this change affect the way we view our neighborhoods, neighbors and lives?

Suggestions

Embrace priorities that reflect love for neighbor and Christ’s call for justice.

Challenge your church to get involved in affordable housing issues. Churches are neighbors too, and many are disturbingly isolated from their own neighborhoods. This phenomenon extends across denominations, income levels and ethnic profiles.

Volunteer. Habitat for Humanity, the Albemarle Housing Improvement Program and Piedmont Housing Alliance all rely on volunteers in their work to provide affordable housing. Consider giving your time, donating money or, if it is within your means, making a gift of land.

Thank you for your time and attention. We are painfully aware of our own complicity in the affordable housing crisis in Charlottesville and welcome your partnership on this journey.