Growth patterns and rural housing in Appalachia

by C. Theodore Koebel

Appalachia is an anomaly that increasingly defies classification. Once stereotyped as the frontline of the War on Poverty, it is now a complex and diverse region that includes high-end resorts and retirement communities, fast-growing communities on the suburban fringe of major metropolitan markets, mature metropolitan areas coping with depressed cores and ex-urban sprawl, newly emergent micropolitan markets, highway service nodes, and distressed coal towns. Similar to singer Travis Tritt's lament that "Country ain't country no more," Appalachia no longer exists as a single region—if it ever did-other than in the eyes of the physical geographer. As a result, any attempt to discuss rural housing problems in the region is impossible without first identifying the different growth patterns that influence the region's housing markets.

The lay of the land

Lest we lose sight of the big story, country ain't country due to success. In Tritt's song "Country Ain't Country," his country boy went off to college, became a lawyer, and came back in a Lexus. And while there are still more beat-up old Fords in the region than there are Editor's note: This article is the first in a series about housing issues in Virginia. The original version of this article appeared in the Summer 2006 issue of Rural Voices, the magazine of the Housing Assistance Council.

luxury sedans, more of the latter have arrived during the past 15 years. The "stats" are largely good. The Appalachian Regional Commission (ARC) reports significant progress in economic status throughout the region between 2001 and 2004. During this time, the number of distressed counties has declined, from 122 in 2001 to 82 in 2004. This decline was matched with a decrease in the number of transitional counties, indicating a progressive change toward better economic conditions in the region.

The most critical needs are concentrated primarily in the remote reaches of West Virginia, Kentucky, and Mississippi. The northern areas of Appalachia from northern West Virginia through New York State have been doing well, as have the portions of the region in Georgia, South Carolina, and North Carolina.

C. Theodore Koebel is a professor of urban planning and chair of the Urban Affairs and Planning Department at Virginia Tech. He is also the board chair of Community Housing Partners Inc., a nonprofit developer and manager of affordable housing throughout Virginia and the Southeast. There is probably no one person who can speak with authority about all the different housing markets in Appalachia. But previous studies identify some "housing market prototypes" that help spotlight the opportunities and challenges for further improving rural housing in the region. These prototypes include

- * rural-to-urban conversion associated with the expansion of megapolitan areas outside Appalachia;
- * suburban sprawl around mature metropolitan areas within Appalachia;
- * the emergence of new micropolitan growth centers;
- * eco-amenity retirement and resort locations;
- * highway-service nodes; and
- * distressed areas reliant on coal and agriculture employment.

Megapolitan expansion

The interstate highway system and the suburbanization of jobs to metropolitan beltways and beyond have extended the labor-shed reach of the major metropolitan job centers well into the rural hinterland. The fringes of Appalachia are being converted into bedroom communities for the megapolitan areas—huge regions of interlocking metropolitan areas—of Atlanta, Washington-Baltimore, and Philadelphia-New York. For example, northwestern Virginia and West Virginia's northeastern panhandle are actively being developed to house socalled "drive-to-qualify" commuters with jobs in Maryland and Virginia. "Drive-to-qualify"homebuyers are those who accept long commuting distances sufficient to reach homes they can qualify to purchase.

As can be seen across Frederick and Shenandoah counties (just outside the ARC's definition of Appalachia), this bedroom community growth on the megapolitan fringes brings income and wealth to the region and creates local jobs in retail trade and services, but it also brings some new challenges to rural Appalachian housing markets. The first challenge is that few of these places anticipated or planned for this new growth. Because they have often opposed zoning and comprehensive planning, they are ill prepared to adjust to land-use challenges associated with such growth. County ain't country no more when a bunch of suburban subdivisions are popping up.

Any change in land markets produces winners and losers. Affordable rural housing could be one of the losers, at least in more desirable locations and towns. Land prices increase, newcomers want more and better services, and taxes go up. Prices considered affordable by commuters working in a megalopolis are unaffordable for longtime rural residents who rely on local wages in agriculture, retail, or services.

As a result, we can expect more NIMBY ("Not In My Backyard") battles in Appalachia, and the first skirmishes are being fought to protect "country." An interesting example was profiled in a June 26, 2006, *Washington Post* story, "Suburbia Catches up with Unger, W.Va.," that described opposition to a 56-lot development in Unger to "Keep Morgan County Rural. Keep Morgan County Green." But rural Appalachia has a strong private-property rights tradition and most local governments lack the planning capacity to promote country-friendly land development.

And as more megapolitan newcomers arrive, the NIMBY wars may go from "stay green" to "clean green." Rural Appalachia is a pastiche of scenic vistas, environmental amenities, small farms, and small houses. Small farms and many other rural commercial establishments are not "Green Acres" pretty. These are low-budget businesses that cannot afford middle-class aesthetics, and rural houses include plain concrete block and clapboard structures along with plenty of trailers. Thus, the rural landscape reflects a different aesthetic than suburbia, and this rural eclectic might be considered an unsightly mess by newcomers. In the worst-case scenario, the desire for a "Green Acres" aesthetic could force out working farms, mobile homes, and other small affordable houses.

Suburban sprawl

Metropolitan areas within Appalachia are also sprawling into the rural hinterland, usually along interstate highways and major arterial roads. For example, Interstate 64 in West Virginia from Ashland to Charleston

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The Appalachian Region

and I-81 to I-75 in Tennessee from Bristol to Knoxville are continuous urbanized spaces across the heart of Appalachia. This sprawl traverses much of the region and has brought demographic and economic growth. The Johnson City-Kingsport-Bristol region has sprawled into Scott and Washington counties in Southwest Virginia, providing an important hub for economic development and growth. Fortunately, the style of development and the



highway-service activities. The improved transportation access makes these areas attractive for regional hospital services as well as for some interstate-transport-oriented businesses. The downside, however, is that new job opportunities in retail trade and government services are drawing workers from nearby, more remote locations, further accelerating population loss in these more isolated locations and leaving them even

residents associated with suburban sprawl are usually less antagonistic to the indigenous rural aesthetic than are the suburbanites moving in from outside Appalachia. Much of the new housing is affordable to families with modest working-class incomes. One advantage created by this sprawl is the potential for higher-density housing, including multi-family housing, with the extension of public services.

New "small" cities

Micropolitan growth centers are also transforming the rural landscape. "Micropolitan" is a new designation that recognizes areas of 50,000 or more people that have an urban cluster of 10,000 to 50,000 people. These small urban centers are also the products of the interstate highway system and other roadway improvements, as well as satellite areas next to or between larger metropolitan areas. Tazewell County in Virginia is part of the Bluefield, West Virginia-Virginia micropolitan area at the intersection of I-77 and US 460. Further north on the West Virginia Turnpike, Princeton (Mercer County), W.Va., has emerged as a growth pole at the intersection of the turnpike and U.S. 460.

These micropolitan areas reflect growth opportunities associated with highway improvements that have improved access and created nodes for lodging and more distressed as their remaining middle-class workers relocate to the micropolitan area.

Eco-amenity locations

Improved transportation access has also increased demand for "eco-amenity" resort development, second homes, and active senior (i.e., retirement) development within rural Appalachia. Throughout the region, scenic vistas are being marketed, along with golf courses and other amenities. The Homestead and The Greenbrier long ago established the appeal of the mountains for resort-style development. These locations are now spawning high-end residential development. Towns that survived the region's numerous bouts with economic depression and managed to reasonably preserve historic or similar older structures are now in position to become "hot" properties. Rockbridge County and Lexington, Va., have seen housing prices escalate rapidly as new developments have attracted increased demand for retirement and second homes. Local residents can benefit from increased job and business opportunities, but affordable housing is not part of the development plan. And the eco-amenity "product" does not include rural poverty and related public services. The cheap housing is over the ridge or farther away and the rural working poor become commuters for service jobs.

Highway-service nodes

Highway-service nodes outside these other growth areas are further down the development ladder. These areas are often at the intersection of state routes and provide limited economic development potential. They become the new centers of commerce within distressed mining and agricultural regions but often are islands within seas of decay.

Distressed areas

The aforementioned seas of decay are mainly remote mining and agricultural areas—isolated by terrain and limited access. These areas have been ravaged by floods, poverty, and physical decay, and the only options for development are limited, including the LULUs (locally undesirable land uses) from more prosperous areas, such as landfills and prisons. The remaining population of distressed areas is poor and increasingly old and disabled, as the working-age population is moving to the nearest growth node to live and either work there or to commute to jobs in the distressed area.

As a result, housing in the distressed area decays even further, and the weight of obsolescence in the built environment drags heavily against redevelopment efforts. Nearly half of the households in Buchanan County in Southwest Virginia are considered to have very low incomes: One in every four households is classified by the U.S. Department of Housing and Urban Development as having housing problems. In addition, more than 40 percent of these households have one or more residents with a mobility or self-care limitation.

Housing challenges and recommendations

Rural Appalachia's affordable housing challenges reflect the current diversity of the region. Many of these problems are the result of past successes in promoting economic development and improved infrastructure, which has helped improve housing conditions throughout much of the region and creates opportunities for continued improvement in response to new challenges.

Megapolitan expansion. Although rural Appalachia has provided a "drive-to-qualify" solution to the affordable

housing problems of the high-cost megalopolis, this in turn creates housing that is typically unaffordable for the lower-wage earner native to rural Appalachia. These megapolitan expansion areas need to examine the affordable housing approaches that have been tested in high-cost markets, such as inclusionary zoning, mixeduse and mixed-density development, townhouses and apartments, Low Income Housing Tax Credit development, land trusts, and preservation of existing affordable housing and family farms. Special attention should be paid to creating opportunities for the use of new manufactured-housing units and for preserving and upgrading existing mobile-home park sites. Manufactured housing that meets minimum design standards (such as those required in California) should be protected as a by-right use in single-family zoning districts. Local government and the nonprofit sector need to expand their capacity to plan, finance, develop, and maintain affordable housing. Additionally, regional hospitals can take a leading role in addressing the difficult problem of rural homelessness and the need for elder-care housing.

Suburban sprawl. Traditional metropolitan sprawl presents similar problems, but there is probably less antagonism toward affordable housing in this environment. Locations adjacent to interstates and other highways can create opportunities for affordable housing within reasonable commuting times to jobs. New units can be produced in these locations using traditional cottage designs, modular construction, and manufactured housing. Regional housing partnerships could tap the financing and development capacity in the metropolis for creating rural housing solutions in conjunction with metropolitan sprawl, perhaps resulting in prototype and demonstration developments that would serve as models for the entire region.

New "small" cities. Micropolitan and other small urban growth centers provide new opportunities to create affordable housing at strategic nodes throughout sections of rural Appalachia. These areas have fewer local resources to capitalize for creating affordable housing, so their respective states need to provide appropriate models for finance and development, including town-

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house and apartment development. States and counties (although the latter would have little organizational capacity for affordable housing programs) should examine the possibilities for preserving affordable housing in older town centers, particularly if these towns have been disadvantaged economically vis-à-vis growth nodes created at highway intersections.

Eco-amenity locations. Eco-amenity locations are rural versions of gated communities. Although there are probably few, if any, opportunities to leverage affordable housing production in association with these developments, they are also probably too small to have significant impact on housing prices outside the gate. Residents of these developments could be potential volunteers, bringing professional credentials that would be beneficial to local and regional affordable housing efforts. On the other hand, they just as likely could be NIMBY opponents to affordable housing.

Highway-service nodes. Highway-service nodes are potential locations for developing affordable rural housing within reach of more remote and distressed rural locations. Joint ventures with state highway departments could create developable land dedicated to affordable housing, but a demonstration project is needed to prove the feasibility of such an approach. States could create land trusts for affordable housing at these nodes as an incentive for developers.

Distressed areas. Isolated rural areas face the most severe housing problems and create the greatest challenges. The mining and agricultural economies of these places continue to recede, although the remaining mining jobs provide fairly high wages. Local government has become a prime source of employment. Much of the older housing stock is within flood plains and subject to periodic devastation. As noted, the weight of physical decay depresses any redevelopment potential and local jobs are increasingly held by workers who have relocated to nearby highway service nodes or small urban growth centers. Affordable replacement housing can be provided with manufactured-housing subdivisions when land is available outside the flood plain. These efforts, however, need to take into consideration the current and foreseeable market rather than past levels of demand. With due recognition of the strength of personal attachments to places, it is important that affordable housing programs not handcuff people to chronically distressed areas.

The affordable housing challenges throughout Appalachia require new approaches to planning that integrate residential and commercial land markets. Comprehensive plans for land use, capital improvement and infrastructure, and economic development need to facilitate the development and preservation of affordable housing, including manufactured housing. The region's housing challenges have changed substantially and will continue to change; to echo Tritt's song, "Appalachia ain't Appalachia no more." Yet the process of change opens new opportunities to create affordable housing. Planners simply need the strategic vision and capacity to turn those opportunities into homes. **VIA**

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