

PlanRVA (Richmond Regional Planning District Commission) DRAFT Application:

Advancing Affordable Housing in the Richmond Region

U.S. Department of Housing and Urban Development

Pathways to Removing Obstacles to Housing (PRO Housing)

October 12, 2023

Exhibit A Executive Summary.

Affordable housing in the Richmond region faces formidable challenges due to market forces, restrictive zoning, land acquisition barriers, and a lack of dedicated funding. These barriers hinder the production and preservation of affordable housing across rural, suburban, and urban areas. Our grant application seeks to address these pressing issues by advancing the policies originally outlined in the foundational Richmond Regional Housing Framework prepared in 2020 and updated annually.

Primary Barriers to Affordable Housing:

Zoning Challenges: The region's zoning codes can limit multifamily and other types of development that support diverse housing types and hinder affordable housing production. Smaller lot sizes and accessory dwelling units are often prohibited.

Land Acquisition: Land acquisition is a major hurdle for affordable housing developers. Given the healthy market and positive growth, nonprofits struggle to compete with for-profit entities, relying on donated parcels. While a land bank exists, it requires technical assistance to expedite property conveyance.

Funding Shortfalls: Only two out of nine jurisdictions in the Richmond region invest local general fund dollars in housing, creating a shortage of dedicated revenue streams. Without increased public investments, the region falls behind in producing affordable housing units, limiting access to flexible dollars.

The Vision:

Our vision, as outlined in the Richmond Regional Housing Framework, is clear: everyone in the Richmond region deserves a stable, safe, and affordable place to call home. We aim to implement this vision not only in the larger localities but also in smaller rural jurisdictions (Goochland, New Kent, Charles City, and Powhatan counties) with unmet housing needs. This expansion would unify the entire region's housing efforts, fostering collaboration, reducing duplication, and increasing housing opportunities for lower-income households.

Policy Objectives:

We intend to advance key policies from the Regional Housing Framework, including:

- Expanding land availability for multifamily and development patterns that are conducive to making units affordable.
- Extending affordability terms for assisted rental developments.
- Establishing inclusionary zoning programs.
- Integrating affordable housing into transportation-rich neighborhoods.
- Prioritizing affordable housing for tax sale and surplus properties.
- Supporting and expanding community land trusts.
- Encouraging higher density homeownership and innovative housing types.
- Expanding the regional land bank.
- Increasing housing rehab and repair programs.
- Exploring community benefits agreements with new developments.
- Encouraging affordable housing in high-opportunity areas.
- Growing local housing trust funds and establishing a regional housing trust fund.
- Providing tax rebates for affordability in new developments.

Our PRO Housing request to **Advance Affordable Housing in the Richmond Region** seeks to address the critical issues prevent affordable housing in the Richmond region. By advancing the policies outlined in the Richmond Regional Housing Framework, we can create a future where affordable housing is accessible to all, regardless of their geographic location or income level.

This collaborative effort will not only strengthen communities but also serve as a model for housing progress in the broader region.

Through this grant opportunity, PlanRVA and PHA continue to be committed to creating a lasting impact on affordable housing in the Richmond region, ensuring that everyone has the opportunity to find a stable and affordable place to call home.

Exhibit C Need.

Description of applicant's efforts so far to identify, address, mitigate, or remove barriers to affordable housing production and preservation.

The applicant, PlanRVA, will work with the Partnership for Housing Affordability (PHA) as the subgrantee for this grant given its role as the lead housing policy nonprofit in the Richmond, Virginia region. In this capacity, PlanRVA has actively participated and PHA has engaged in the following efforts related to affordable housing production and preservation:

PHA launched the [Richmond Regional Housing Framework \(RRHF\)](#) in 2020, which serves as the region's blueprint for advancing affordable housing policies and programs that benefit low- to moderate-income residents. The Framework determines housing needs in the region including all nine jurisdictions, set goals to meet those needs, identified barriers to achieving these goals, established priority solutions to be implemented, and created a measurement

protocol that assesses progress annually. Furthermore, the four jurisdictions of Richmond, Henrico, Hanover, and Chesterfield agreed to support and participate in the creation of the plan. Six main goals guide the Framework:

1. Increase the supply of affordable rental housing;
2. Support inclusive wealth creation by creating homeownership opportunities for low-income households;
3. Ensure the growing senior population is safely and affordably housed;
4. Improve housing quality and ensure better health and safety for residents;
5. Expand housing stability and stop displacement; and
6. Expand housing choices for moderate and low-income households.

For goal one, barriers include an inadequate supply of units, a paucity of land zoned for multifamily development, and a significant number of affordable units expiring in the next decade.

PlanRVA has worked with PHA since 2021 to increase the supply of affordable rental housing through administering a grant program in partnership Virginia Housing, the state's housing finance agency, which allocated nearly \$2 million that will **add 239 of affordable rental housing to the region's housing supply by 2024.**

Additionally, **in partnership with Chesterfield County**, PHA published a [study on the redevelopment of aging shopping centers for mixed-use development with affordable housing](#), seeking to address the lack of land available for multifamily development.

Most importantly, the Regional Housing Framework is more than a document that outlines Richmond's housing challenges. The crux of the strategy is that it is undergirded by action, with [over 60 solutions provided across the 6 goals](#). These solutions assign the responsible party for implementation, feasibility, fiscal impact, and more.

In 2022, PlanRVA worked with the Reinvestment Fund to implement the [Market Value Analysis \(2022\)](#), a data driven tool that helps local governments understand market forces and influence policy decisions. Highlighting changes in different neighborhoods, the MVA assessed disinvestment, property values, housing characteristics, and investor activity. More importantly, PlanRVA created story maps and overlaid the MVA with affordability data to demonstrate where households can afford to live in the region. The data revealed that households earning below 80% of AMI could not afford to live in most neighborhoods in the region, forcing workers to commute upwards of an hour to work. These compelling data influenced **Henrico County to create an employer housing assistance program for first-time homebuyers**, an effort that will provide down-payment assistance to low-income county employees. This successful policy was revealed at an event hosted by PlanRVA, PHA, and other partners to encourage area employers to create their own employer assisted housing programs to retain our region's workforce.

Description of the acute demand for affordable housing and remaining affordable housing needs in the Richmond region.

The applicant and PHA collect housing data on the region periodically to assess disparities, changes in housing characteristics, demographic trends, and to inform policies that address the region's most pressing challenges. **The most [recent report](#), from 2022, emphasizes housing demand and challenges post-COVID, and shows the Richmond region has a shortage of 38,778 affordable rental units.** This represents an increase of 1,220 affordable units needed compared to the 2019 report. **Renters earning at or below 30% AMI comprise the majority of the region's gap, with a shortage of over 24,000 rental units for this income group.**

Furthermore, nearly one-third of all households in the Richmond region are cost-burdened, spending upwards of 30% of their income on housing costs. **Cost-burdened renters have increased by 1,900 households since 2015.** This barrier is exacerbated by steep rent climbs. Since 2017, rent increases in the Richmond region have outpaced the entire state of Virginia. Similarly, home prices have skyrocketed. **In the city of Richmond, the median single-family home price increased from \$210,000 in 2017 to \$389,500 in 2022—an 85% change.** These cost increases are compounded by migration patterns. Between 2020 and 2050, the region is expected to grow by nearly a third, which will be largely driven by domestic migration from surrounding states. Furthermore, **five senior households will be added every day between 2020 and 2040, totaling 37,000 new senior households.** Unfortunately, the region's current zoning, land use decisions, and supply do not support present and future demand for housing. Less than 5% of all land area in Henrico, Hanover, Chesterfield, and Richmond allow for multifamily development in their zoning codes, a fact that intensifies the region's rental shortage of 39,000 units. On the homeownership side, the region's footprint only has a 1-month supply of homes.

And despite progress in recent years to expand affordable housing production—**4,393 affordable units have been added since January of 2020—1,633 affordable units were lost due to expiring subsidies or investor activity.** Preservation continues to be a growing barrier for the Richmond region, as nearly a quarter of all current Low-Income Housing Tax Credit units are set to expire by 2035.

These concerning trends impact the majority of the region's workforce but especially populations that are most vulnerable. The region's coordinating agency for homelessness has **estimated that over 350 units of permanent supportive housing are needed to support households exiting homelessness.** Additionally, as reported by the RVA Eviction lab, Richmond continues to have one of the highest eviction rates in the country. Without the removal of barriers to available and affordable housing, homelessness and eviction rates will continue to increase at a pace that is untenable.

Description of the key barriers that still exist and need to be addressed to produce and preserve more affordable accessible housing.

Zoning challenges remain a tremendous barrier to producing affordable housing across the Richmond region for rural, suburban, and urban localities. In addition to stifling limits on by-right zoning for multifamily development, many zoning codes do not allow for smaller lot sizes, diverse housing types, or uses such as accessory dwelling units. The acquisition and disposition of land is another critical barrier to production and preservation. Land acquisition is one of—if not the most—prohibitive factor for affordable housing developers in the Richmond region. Unable to compete with for-profit entities and lacking capital, nonprofits are often left relying on donated parcels from localities to find new areas to develop. And while the region has a nascent land bank that is utilized in Richmond, Chesterfield, and Henrico, there remains a need for technical assistance to improve and accelerate the process of conveying more properties for affordable housing uses.

From a funding standpoint, **the region lacks dedicated revenue streams to feed a future pipeline of production.** Outside of federal funding that is administered locally, only two out of nine jurisdictions invest local general fund dollars toward housing. Without increased public investments toward housing—such as the creation of housing trust funds, preservation funds, or bonding—the region will continue to fall behind in producing the necessary units of affordable housing. The lack of local investment in housing prevents key partners from accessing flexible dollars to match with other sources. The restrictions of various grant sources can make it more challenging to target vulnerable populations or to address systemic challenges. As a result, the strategic use of local funding could be used to leverage other grant sources and supplement existing programs that lack capacity.

In smaller jurisdictions that are not entitled to federal funding from the Department of Housing and Urban Development, local programs do not currently exist that are directly supportive of producing or preserving housing. The creation of demonstration or pilot housing programs would be essential to proving the viability of the solutions within the Framework.

Exhibit D Soundness of Approach.

Description of the Project Vision

We seek to advance the policies outlined in the [Richmond Regional Housing Framework](#), which has a clear vision: **everyone in the Richmond region will have a stable, safe, and affordable place to call home.** Furthermore, it is our intention that, through the PRO Housing program, the Framework can not only be implemented in the region's larger localities but that it can also be expanded to include the smaller, rural jurisdictions (Goochland, New Kent, Charles City, and Powhatan counties) who have unmet housing needs. Accomplishing this would mean the entire Richmond region, comprised of rural, suburban, and urban geographies, would be aligned in its housing efforts as a result of the guiding light provided by the Framework. This would allow for increased collaboration between localities, reduced duplication of funding and programmatic

efforts, and, most importantly, greater access to housing opportunities for lower-income households.

Specifically, the PlanRVA and PHA intend to work with the localities and key stakeholders to advance the following policies from the Regional Housing Framework:

- *Solution 1-A*: Increase the amount of land available for multifamily development in commercial and residential zones, especially in communities of opportunity.
- *Solution 1-B*: Extend affordability terms for assisted rental developments with expiring subsidies or restrictions by incentivizing preservation.
- *Solution 1-E*: Establish inclusionary zoning programs that incentivize affordable dwelling units.
- *Solution 1-G*: Integrate affordable housing into transportation-rich neighborhoods and corridors.
- *Solution 1-J*: Prioritize affordable housing as the end use for tax sale and surplus properties disposed of by jurisdictions.
- *Solution 2-A*: Support and expand the community land trust model.
- *Solution 2-D*: Reduce land cost per home by encouraging higher density homeownership, including smaller, innovative housing types.
- *Solution 2-H*: Support and expand the regional land bank to create more options for housing development.
- *Solution 3-B*: Increase housing rehab and critical repair programs.
- *Solution 5-D*: Explore the use of community benefits agreements with new developments for housing.
- *Solution 6-E*: Encourage CDCs and private developers to develop affordable and mixed-income housing in high opportunity areas.
- *Resource Solution 1*: Grow local housing trust funds/Establish a regional housing trust fund.
- *Resource Solution 2*: Provide tax rebates for affordability in new developments.

Description of geographic scope

The geographic scope for this project will be the footprint of PlanRVA, which includes the following jurisdictions: counties of Charles City, Chesterfield, Goochland, Hanover, Henrico, New Kent, Powhatan, city of Richmond, and the town of Ashland. Priority geographies established by the PRO Housing grant include Goochland and New Kent Counties.

Description of past and on-going engagement with key stakeholders

PlanRVA and PHA have engaged a diverse set of stakeholders that represent public, nonprofit, and for-profit sectors in Richmond. This includes members of the Richmond Community Development Alliance (RCDA), which is a consortium of community development corporations and nonprofit housing organizations in the Richmond region. **RCDA has met regularly since 2012 and serves as the region's collaborative voice for community development.**

Organizations within RCDA are responsible for developing the overwhelming majority of the

region's affordable housing pipeline, in addition to carrying out services such as home repairs, fair housing counseling, affordable lending, homelessness prevention, and permanent supportive housing. Furthermore, local government officials are also members of RCDA, enabling the coordination of local funding updates with housing service providers. This group will be essential in implementing the policies put forth by the Regional Housing Framework. RCDA is an official program of PHA, thus this group will continue to convene quarterly and be offered ample opportunities to offer feedback on this proposal.

In addition to RCDA, **PHA also leads a policy committee that meets monthly to help develop the region's housing policy agenda.** This committee is comprised of local governments, state housing policy organizations, land use attorneys, nonprofit housing organizations, and members of the local realtor's association. As the regional policy agenda is established, this group will continue to serve as a brain trust for setting regional priorities and crafting strategies to implement key policies. This is an implementation step of the Richmond Regional Housing Framework (RRHF) that was grounded in community engagement.

Richmond Regional Housing Framework community engagement

The RRHF is a housing strategy that has and continues to be firmly rooted in community engagement since its origins in 2019. Before the plan was launched in 2020, the PlanRVA's contractor PHA carried out [extensive community engagement](#) to ensure that the voices of residents informed the plan's goals and solutions. Sixteen community listening sessions, six stakeholder group sessions, 8 public meetings, 25 speaking engagement and community events, and a targeted resident survey enabled PHA to reach over 1,900 residents across the region to provide insight into the Regional Housing Framework. **The survey yielded nearly 700 responses from community members, 48% of whom earned incomes of \$25,000 and below and 62% of whom were Black.**

Following the launch of the RRHF in 2020, **PHA contracted with Virginia Community Voice (VACV), a Black woman led nonprofit organization in Richmond** that specializes in community engagement for marginalized communities. This partnership ensured that as the policies of the Framework were beginning to get implemented, resident voices would continue to be elevated every step of the way. During this two-year period, PHA worked with VACV to create a housing working group made up of residents from Richmond's southside, while also creating an [equitable development scorecard](#) that allows residents to hold prospective developments accountable to community requests. Additionally, PHA coordinated a working group to help develop the data, values, and priorities of the Framework based on community responses. This working group included members of the development community—for-profit and nonprofit—local government, homebuilding industry, philanthropic foundations, land use attorneys, and workforce development experts.

As a result, the PRO Housing program represents a point on a continuum that has been ongoing for four years and has been steeped in community engagement at all levels. With this funding awarded, the applicant will not only be able to implement the work but also will have the capacity to expand the benefits of the Framework to the jurisdictions of Goochland, New Kent,

Charles City, and Powhatan—all of whom have acute housing needs and, in some cases, represent priority geographies for this grant opportunity.

On-going stakeholder engagement

Stakeholder input was essential in understanding what efforts and policies do not need additional support from the PRO Housing funding. For example, a local partner of PlanRVA and PHA, LISC VA, was recently awarded \$7.5 million from Wells Fargo's WORTH program. The WORTH initiative is designed to create opportunities for 5,000 new Black, Indigenous, and people of color homeowners by 2025. The collaborative group that supports this project, which includes PlanRVA and PHA, meets regularly to discuss progress, trends, and gaps. Currently, there are far more resources in the region for services supporting homeownership readiness such as downpayment assistance, homebuyer education, and credit counseling. However, as indicated by the stakeholders within the WORTH collaborative, the greatest challenge the clients of the WORTH program are facing is the lack of affordable housing stock within the region. The program has been successful in getting homeowners ready but the process to become a homeowner is stifled by market conditions. As a result, the focus of the PRO Housing approach on zoning, incentives, public investment, and production efforts serves the purpose of maximizing the impact of existing funding sources and programs. The feedback from stakeholders from the WORTH initiative reaffirms the barriers prioritized in this application. Without the removal of critical policy barriers key stakeholders will not be able to achieve their goals.

Specific strategies for stakeholder engagement

Public participation through this program will be multi-layered:

- **The first strategy is digital.** PHA is undergoing a website redesign that is designed to provide for more robust public engagement. The new site will enable users to provide feedback, express support, and offer ideas on the regional policy agenda and other housing issues they would like to see prioritized. Second, the website will also allow developers to utilize a 'wish list' function, which can be used to outline incentives and other policies to PHA that will accelerate regional production.
- **The second strategy will enable PHA to provide expertise on building and sustaining momentum for regional policy efforts.** This includes leveraging stories of residents that are most likely to benefit from implemented policies, op-eds, and letters to the editor from key community and corporate leaders and maximizing the success of policy wins to ensure momentum endures.
- **The third strategy is in-person engagement via community meetings and presentations.** This is a common feature of PHA's ongoing policy work. Between 2020-2022, the Regional Housing Framework was presented 98 times to 2,283 community partners across five jurisdictions. Ranging from governing bodies and civic associations to real estate brokers and faith-based workgroups, PHA has committed to casting a wide net to engage the region in policy efforts. Most importantly, PHA hosts the Richmond region's definitive event on housing policy annually, called the ['State of Housing in the](#)

[Richmond Region](#)'. At this event, PHA provides a review of previous year's accomplishments while looking ahead to policy focuses for the year to come. The event attracts local media, elected officials, corporate leaders, key housing stakeholders, philanthropic organizations, and community members to understand Richmond's progress towards improving access to opportunity through policy. This work will be expanded if funds are awarded through the PRO Housing grant program.

Alignment with Fair Housing Requirements

Solution 6-G in the Regional Housing Framework calls for the undertaking of a regional fair housing assessment. This solution was successfully implemented **in 2021 in the form of an [analysis of the impediments to fair housing](#)—a multi-jurisdictional report that assessed the region's strengths and weaknesses in providing adequate housing choice for protected classes**. The report highlighted the impact of historically exclusionary practices on marginalized communities but also evaluated the barriers to housing choice that are erected by present day regulations. In the findings, which draw heavily on the solutions offered in the RRHF, **5 out of the 14 greatest impediments to fair housing choice align with our proposal for PRO Housing Funding**:

1. Limited local resources and funding commitments to address regional housing needs.
2. Restrictive land use and zoning codes that limit affordable multifamily and missing middle housing, which restricts production and housing types.
3. Affordable rental options are sparse in high-opportunity areas due to zoning and community resistance.
4. Job-rich areas lack affordable housing.
5. Restricted housing supply and a strong rental market has caused rents to increase much faster than renter incomes, limiting the availability and location of rental affordable rental units.

In summary, while this proposal seeks to further the policies of the RRHF, doing so will also advance the recommendations of the region's analysis of impediments to fair housing, which is closely aligned with requirements to affirmatively further fair housing.

Addressing barriers to affordable housing and increasing access for underserved groups

The following policies in this proposal are designed to remove the barriers to the development of affordable housing in well-resourced areas of opportunity:

- *Solution 1-A*: Increase the amount of land available for multifamily development in commercial and residential zones, especially in communities of opportunity.
- *Solution 1-E*: Establish inclusionary zoning programs that incentivize affordable dwelling units.
- *Solution 1-G*: Integrate affordable housing into transportation rich neighborhoods and corridors.
- *Solution 1-J*: Prioritize affordable housing as the end use for tax sale and surplus properties disposed of by jurisdictions.

- *Solution 2-A:* Support and expand the community land trust model.
- *Solution 2-D:* Reduce land cost per home by encouraging higher density homeownership, including smaller, innovative housing types.
- *Solution 5-D:* Explore the use of community benefits agreements with new developments for housing.
- *Solution 6-E:* Encourage CDCs and private developers to develop affordable and mixed-income housing in high opportunity areas.
- *Resource Solution 1:* Grow local housing trust funds/Establish a regional housing trust fund.
- *Resource Solution 2:* Provide tax rebates for affordability in new developments.

Black and Latino households are expected to benefit most from the PRO Housing program. In addition to having lower household incomes than their white counterparts by 20 to 30 percent, Black and Latino households are more likely to be cost-burdened renters in the Richmond region. Furthermore, the white homeownership rate is a full 25 percentage points higher than that of Black and Latino households in the region.

Addressing residential segregation

As identified in the region's analysis of impediments to fair housing, zoning and land use decisions are the primary driver perpetuating residential segregation in Richmond. The following policies that are the focus of this application for policy implementation will specifically address this challenge:

- *Solution 1-A:* Increase the amount of land available for multifamily development in commercial and residential zones, especially in communities of opportunity.
- *Solution 1-E:* Establish inclusionary zoning programs that incentivize affordable dwelling units.
- *Solution 1-G:* Integrate affordable housing into transportation rich neighborhoods and corridors.
- *Solution 2-A:* Support and expand the community land trust model.
- *Solution 2-D:* Reduce land cost per home by encouraging higher density homeownership, including smaller, innovative housing types.
- *Solution 5-D:* Explore the use of community benefits agreements with new developments for housing.
- *Solution 6-E:* Encourage CDCs and private developers to develop affordable and mixed-income housing in high opportunity areas.

Each of these solutions are geared toward integrating housing types, land uses, incentives, and zoning changes in areas that have historically been exclusionary yet represent areas with greater opportunity.

Expanding housing choice throughout the Richmond region

The following policies in this proposal will address the barriers of expanding housing choice and deconcentrating poverty:

- *Solution 1-A:* Increase the amount of land available for multifamily development in commercial and residential zones, especially in communities of opportunity.
- *Solution 1-G:* Integrate affordable housing into transportation rich neighborhoods and corridors.
- *Solution 2-D:* Reduce land cost per home by encouraging higher density homeownership, including smaller, innovative housing types.
- *Solution 6-E:* Encourage CDCs and private developers to develop affordable and mixed-income housing in high opportunity areas.
- *Resource Solution 2:* Provide tax rebates for affordability in new developments.

Addressing the unique housing needs of protected class groups

A great example of this is the issue of home repairs in Richmond. Solution 3-B of the RRHF seeks to increase housing rehab and critical repair programs in the region. PlanRVA will work with PHA, who was recently awarded funding from the Robert Wood Johnson Foundation to assess the impact of critical home repairs has on widening the racial wealth gap, to implement the findings from that research project. **Over 70% of critical home repair clients in the region identify as Black and have incomes well below 60% of the Area Median Income. These clients are also mainly individuals residing in neighborhoods that, according to the Market Value Analysis, are at a higher risk of displacement.** Based on the findings from the Robert Wood Johnson Foundation report, the applicant will implement policies that augment existing repair programs and services.

Addressing issues identified in fair housing plans

Yes, the applicant plans to implement the policies which are in the RRHF the region's blueprint for housing strategy. The Regional Housing Framework's solutions were utilized as the basis for the region's most recent analysis of impediments to fair housing.

Addressing the risk of displacement

Displacement has been thoroughly considered in PlanRVA's proposal. The following proposed policies help to ensure that displacement can be addressed, prevented and mitigated:

- *Solution 1-B:* Extend affordability terms for assisted rental developments with expiring subsidies or restrictions by incentivizing preservation.
- *Solution 2-A:* Support and expand the community land trust model.
- *Solution 2-H:* Support and expand the regional land bank to create more options for housing development.
- *Solution 3-B:* Increase housing rehab and critical repair programs.

Furthermore, the most recent **Market Value Analysis for the region created a displacement risk ratio**, which helps the applicant and other partners determine which neighborhoods in our region at the greatest risk of rapid change and, consequently, potential displacement. The above policies will be targeted in the markets and communities that have been previously identified as having high displacement risk ratios.

Anti-displacement measures

With **nearly a quarter of LIHTC properties set to have their subsidies expire in the next 10 years**, Solution 1-B of the Regional Housing Framework will be an essential anti-displacement measure. This includes conducting research on properties that are set to expire, notifying local governments, beginning owner engagement, and identifying carrot incentives that can be proactively used to encourage LIHTC owners to renovate their properties while maintaining the affordability levels.

Addressing the housing needs of people with disabilities

This is a growing problem in the region, as indicated by the RRHF. **Between 2016 and 2020, the region added 2,600 persons with independent living challenges.** While many individuals nationwide who have independent living difficulties occupy homes that they own, in the Richmond region most of these individuals are renters. Thus, the following proposed solutions seek to ameliorate the barriers of this population:

- *Solution 1-G:* Integrate affordable housing into transportation rich neighborhoods and corridors.
- *Solution 3-B:* Increase housing rehab and critical repair programs.

PlanRVA commits to adhere to the ADA and accessibility requirements under the Fair Housing Act by working with PHA and localities to establish incentives that encourage new developments to adopt universal design standards of construction. These standards help ensure that residents of varying needs are able to live independently, particularly in rental developments.

Implementation plan

PlanRVA will rely on its foundational partnerships with local governments in the region to ensure effective education and implementation. Specifically, PlanRVA will work with PHA to seek formal approval of the Regional Housing Framework and the solutions therein from various localities. Doing so will help institutionalize the policies included in this proposal and codify a plan for action. We anticipate that the greatest form of resistance will be reflected via community opposition. This is why community engagement and capacity-building activities are so important to this proposal. PlanRVA and PHA will commit to training, educating, and preparing local governments on how educate wary constituents, respond to neighborhood concerns, and become sound consumers of housing data to make informed decisions. Community engagement efforts will also build alliances with community members who are supportive of the proposed housing policies and identify ambassadors willing to provide a counterweight to potential opposition.

Equity considerations

The equitable development scorecard created by Virginia Community Voice is an essential document to be incorporated into any policies within the proposal that relate to housing development and rehabilitation. This tool was created by community residents as a method of holding developers accountable to neighborhood priorities and community input.

PlanRVA and PHA intend to engage and support minority-, women-, and veteran-owned businesses during grant activities. The applicants will rely on the Inclusive Purchasing Program [to be attached] that PlanRVA created to ensure that historically marginalized communities are encouraged to participate in the contracting and procurement process. Furthermore, PlanRVA has an adopted Inclusive Recruiting Plan [to be attached] in place that outlines a commitment to creating a workforce environment that is inclusive and equitable. In addition, PlanRVA has adopted both a Community Engagement Strategy [to be attached] and a Public Meeting Playbook [to be attached] that will inform public input processes and engagement efforts throughout this grant period. Both these documents were informed by a diverse set of stakeholders and reflect the applicant's commitment to creating meaningful engagement between community members of local governments that is accessible, equitable, and inclusive.

Evaluate the effect of this project on desegregation, equitable access, and de-concentration of affordable housing

The data provided in the region's most recent Market Value Analysis will be critical to evaluating the expansion of opportunity and access to well-resourced areas. Specifically, PlanRVA and PHA will examine the presence of policies implemented in markets A, B, C, D and E, all of which are characterized by higher household incomes, strong home prices, and lower rates of subsidized units. Conversely, the applicants will examine the F, G, H, and I markets to determine the highest priorities for the deconcentrating poverty. These markets are characterized by high rates of subsidized units, below average sales prices, higher averages of bank sales, and rising levels of investor activity.

Tracking the progress of efforts to advance racial equity

PlanRVA will ensure through its data collection and performance measurement activities that disaggregated data accounting for race and ethnicity are compiled. Additionally, PlanRVA will utilize the neighborhood data provided by the Market Value Analysis to understand the impact of housing policies on disinvest markets, particularly markets F, G, H, and I.

Addressing marketing of new housing units

PlanRVA does not propose to use PRO Housing funds to support construction or rehab of housing units. The advancement of housing policies and building capacity for small jurisdictions is the focus of this proposal.

Proposed Budget and Timeline

PlanRVA and PHA propose a budget of \$5.5 million to carry out the proposed activities. The budget breakdown and proposed timeline would be as follows:

1. **Policy Research, Development, and Implementation (\$1.5 million; 2024-2028):** A significant portion of the grant would be dedicated towards policy related activities. Policy research in jurisdictions that have not yet adopted the Regional Housing Framework would be carried out to identify key barriers in these localities and to develop policy proposals that fit their specific needs. The development of policy proposals and the regional policy agenda would be the second phase of this activity. And, last, policy implementation of the proposed solutions and solutions identified through research would reflect the final phase of activities for this line-item. Implementation in areas already covered by the Regional Housing Framework would occur sooner than in jurisdictions where policy research and development is still needed.
2. **Data Collection & Analysis (\$750,000; 2024-2025):** PlanRVA will continue to create processes for ongoing data collection on the proposed geography, measuring the impact of proposed policies, utilize mapping and geospatial analyses to pinpoint areas of opportunity and need, and make informed adjustments. A portion of this line-item will include consulting costs for specific data collection services.
3. **Zoning Reform Initiatives (\$1.5 million; 2024-2027):** PlanRVA will work closely with PHA and with local governments to support zoning reform efforts with a focus on providing meaningful opportunities to reverse exclusionary zoning practices. This will include providing technical assistance to localities on best practices within the region and Virginia which have resulted in changes to zoning codes to promote mixed-income communities, hosting community events that leverage data and community input to highlight the impact of zoning revisions, drafting model zoning ordinances, and piloting zoning policies in areas of focus specifically selected through the data collection and analysis phase.
4. **Capacity Building (\$500,000; 2024-2026):** PlanRVA will build the capacity of smaller local governments (Charles City County, Goochland County, Powhatan County, New Kent County, and the Town of Ashland) to focus public efforts on the advancement of housing policies that benefit low-to-moderate income households. Most of the localities in our proposed geography do not possess adequate staff capacity. Housing typically falls under the umbrella of planning. As a result, these jurisdictions lack capacity to meaningfully assess and address housing barriers and depend on PlanRVA and organizations like PHA to provide guidance on housing needs and solutions. Activities under this line item include workshops, board education sessions, staff training, and producing educational materials on the basics of affordable housing to share among staff and constituents. PlanRVA intends to support either staff resources in-house or within localities to supplement local capacity building, community engagement, and training.
5. **Community Engagement (\$500,000; 2024-2028):** To ensure that resident voices and public input can continue to inform the policy development and implementation process, PlanRVA and PHA propose to allocate funding towards engaging residents across all

jurisdictions in the proposed geography. In addition to public meetings and digital outreach, this line-item will include working with a community engagement consultant, offering training to neighborhood groups on affordable housing policies, hosting events to promote public participation in the policy process.

6. **Performance metrics and reporting (\$250,000; 2025-2028):** This line-item will be responsible for measuring the impacts and progress of the proposed outcomes within this application. PlanRVA has already been at work and will continue to develop performance measures that speak to both the quantitative and qualitative impact of implemented housing policies.
7. **Indirect Costs (\$500,000):** PlanRVA is seeking support for additional community engagement, technical assistance to local governments, and building capacity internally for administering the grant.

Should the grant be partially funded, the geographic scope may need to focus on the larger jurisdictions in the region who are already an active part of the Regional Housing Framework. PlanRVA and PHA would find it more challenging to expand the outreach and education uniformly throughout the region to all the localities. Capacity building and direct assistance would be curtailed and require a greater dependence on short-term consulting rather than more permanent staff deployed to the smaller jurisdictions.

Exhibit E Capacity.

PlanRVA has capacity across staffing competencies that are critical to this project. For policy implementation, PlanRVA will rely on the PHA, who will have two staff members responsible for all policy related activities. In the realm of data analysis and planning, PlanRVA has a strong 3-person data team to analyze regional statistics and evaluate progress. For community engagement, PlanRVA has a community engagement team and project management staff in place. However, in order to achieve the full scope of this proposal, PlanRVA estimates that two full-time positions would need to be considered to supplement existing teams. One position would be a policy analyst for PHA to support the implementation efforts outlined in this proposal with a special focus on the smaller jurisdictions. A second position would supplement the community engagement team with specific focus on capacity building and education for the smaller jurisdictions who do not yet possess housing plans and that would be within PlanRVA's organization.

Exhibit F Leverage

PlanRVA and PHA will not be directly leveraging other funding contributions for this project. However, the capability to carry out the proposed PRO Housing Plan is strengthened by the fact that PHA, received a **5-year, \$570,000 commitment from the Community Foundation for a greater Richmond (TCF)** to support the advancement of the Richmond Regional Housing Framework, which includes engaging the services of communications and strategy consultants and supporting the hiring of a full-time policy director position within PHA.

Furthermore, PHA was recently approved for a **research grant from the Robert Wood Johnson Foundation to assess the impact of critical home repair programs** on closing the racial wealth gap and preventing displacement. This funding is a 3-year, \$249,644 grant. Funding from PRO Housing would be utilized to leverage the research findings into programmatic and policy change for existing repair programs.

Exhibit G Long-term Effect.

PlanRVA and PHA anticipate that the successful completion of this proposal and the activities outlined would result in greater awareness of the importance of housing as a public policy priority in each jurisdiction in the Richmond region. This would mean that housing is consistently a mainstay in local government budgets, a critical policy consideration, and, most importantly, that regional collaboration on housing becomes standard for localities in the Richmond region. The following outcomes are expected and will be measured by metrics already foundational to the ultimate implementation of the RRHF:

- The Regional Housing Framework will be presented and considered for formal adoption by two additional jurisdictions in the region;
- Each jurisdiction in the PlanRVA footprint will receive technical data and policy analysis assistance and community engagement support enabling them to consider inclusion of housing issues and policy in Comprehensive Plans, and annual housing policy agendas;
- Each jurisdiction in the PlanRVA footprint will receive technical data and policy analysis assistance and community engagement support enabling them to consider zoning code rewrites with the aim of:
 - Increasing the percentage of land zoned in districts that permit multifamily housing in the region by at least 3%, with consideration of district proximity to transportation-rich areas
 - Aligning zoning codes with specific housing needs analyzed at the jurisdiction level.
 - Exploring affordable dwelling unit/inclusionary zoning ordinances in at least two jurisdictions.
- Information sharing activities and capacity building for local jurisdiction officials and staff, non-profits and other stakeholders, with the aim of:
 - Creating incentives in the MVA's strong markets (A, B, C, D) to encourage affordable housing development in at least two jurisdictions;
 - Creating at least two new dedicated sources of revenue for housing;
 - Increasing annual local funding for affordable housing in at least three jurisdictions;
 - Preserving through incentives at least three LIHTC properties that are set to expire in the next 10 years;
 - Enhancing local home repair programs to provide flexible funding for clients who do not qualify but are located in areas at high risk for displacement.

Attachments – Summary of Comments

[This section will be inserted following the close of the public comment period.]