

# PlanRVA’s Toolkit for Localities

## Strategies to Implement Attainable Housing and Promote Diverse Housing Options

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### 1. Utilize PlanRVA’s Market Value Analysis to Identify Housing Market Trends

- **Description:** The Market Value Analysis (MVA) is a statistical and geographic analysis of an area’s housing characteristics. Localities can utilize the data to assess housing needs and guide residential development. PlanRVA’s 2022 MVA included Richmond, parts of Henrico (excluding much of Varina), and parts of Chesterfield (excluding areas in Matoaca and Bermuda). **The upcoming 2026 MVA will expand to include all nine PlanRVA localities.**
- **Potential cost to locality:** MVA products are free and open to the public.
- **Potential impact:** The data and analysis of the MVA will enable jurisdictions to plan development more effectively, supporting residential housing needs while retaining local character. This might include prioritizing areas for affordable or workforce housing or age-in-place developments, providing infill developments or preservation opportunities to strengthen existing neighborhoods, establishing community land

trusts, refining zoning ordinances, and developing comprehensive, small-area and corridor plans. The MVA will allow policymakers to identify areas where a small change would result in a big outcome, as well as weaker markets that may benefit from a tailored incentive or policy shift.

- **MVA StoryMap:** [PlanRVA's Market Value Analysis \(2022\)](#)

## **2. Create a Local Housing Advisory Committee**

- **Description:** Create a locality housing advisory committee to enable policy recommendations to be brought to the Board of Directors.
- **What it does:** Sets up a distinct group of trusted county employees and other trusted partners that work in affordable housing to initiate and evaluate potential housing policy decisions specific to the locality. This would allow for a consistent and efficient review of housing-related decisions that the Board of Supervisors could rely on for vetted recommendations.
- **Localities with housing advisory committees:**
  - Charles City County – Housing Task Force
  - Goochland County – Housing GVA Steering Committee (through Goochland Cares)
  - City of Richmond – Affordable Housing Trust Fund Board
  - Henrico County
  - New Kent County

## **3. Create a Local Affordable Housing Trust Fund (AHTF)**

- **What it does:** Provides affordable housing developers the ability to access additional gap funding for development, which allows them to leverage trust funds to be more competitive during the complex process of accessing other financing. This makes projects more financially feasible and thus developers can build more affordable units with deeper affordability levels.
- **Potential cost to locality:** Varies depending on the investment made by the locality into a trust fund. In addition to needing approval of the Board, it would require staff time to initiate and administer (ex: administration of Henrico AHTF is around \$200,000 per year).
- **Examples:**
  - Henrico Affordable Housing Trust Fund – Uses revenue from property tax increases from data center developments. Targets new homeownership opportunities, up to 120% AMI, working with for-profit and non-profit developers.
  - Richmond Affordable Housing Trust Fund – Uses property tax revenues from tax abatement program. Also utilizes funding from general obligation bond allocations.

## 4. Create a Community Land Trust and/or Land Bank

- **Description:**
  - A **community land trust (CLT)** is a nonprofit that provides an “equity sharing” model of homeownership opportunities to modest-income buyers and keeps homes affordable for future generations by limiting a home’s future resale price.<sup>1</sup>
  - **Land banks** are entities, often public or community-owned, that acquire, maintain, and return vacant and/or blighted properties for productive uses. This includes housing as well as other uses such as open space, community space, agriculture, amongst other options. Localities often play a key role in transferring properties to land banks.<sup>2</sup>
- **How it works:**
  - A CLT leases the land underneath to the buyer, and the homeowner owns the building itself. By providing a long-term lease (often 99-years) at a minimal price, the price of the house is greatly reduced by the price of the land. The lease also contains restrictions that include an income limit for subsequent buyers as well as limits on the future sales price of the house.
  - The CLT model preserves affordability for future buyers without the need for additional public subsidies. The board of directors for the CLT is comprised of community representatives, local experts and stakeholders, and homeowners in the CLT program. CLTs can also be used for rental and commercial development.
  - **When a CLT and land bank are combined**, vacant/blighted properties can be converted into available plots for affordable housing in a streamlined manner. Properties that enter the land bank can be more easily developed and the community land trust has more available land to develop.
- **Who is responsible:**
  - Local nonprofit community land trust develops housing, cultivates buyers, and administers program.
  - Local housing staff: assists CLTs with tax assessments, provides local funding, and ensures CLT is eligible for federal housing fund support including HOME and CDBG. Localities also are responsible for the transfer of properties into the land bank.
  - Mortgage lenders: create or modify lending products available for CLT homebuyers
- **Examples:**
  - [Maggie Walker Community Land Trust and Land Bank \(MWCLT\)](#)– Non-profit that develops and stewards permanently affordable homeownership opportunities to foster racially equitable communities. MWCLT currently serves in the City of Richmond and the Counties of Chesterfield and Henrico but has the potential to be scalable to other parts of the region.
  - James City County, VA – In 2025 began a feasibility study for a community land trust.

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<sup>1</sup> <https://pharva.com/solution/goal-2-support-racially-inclusive-wealth-creation-by-increasing-homeownership-opportunities-for-low-and-moderate-income-households/solution-2-a/>

<sup>2</sup> <https://www.richmondlandbank.com/>

## 5. Land Use/Zoning: Rewrite Zoning Code to Allow More Housing

- **How it works:** Revising the zoning code can provide piecemeal solutions to restrictive housing regulations that limit the types and/or designs of housing. Fully rewriting a locality zoning ordinance can provide greater flexibility and choices to a locality's housing stock and provides an opportunity for the locality's zoning to better match the comprehensive plan.
- **Cost/challenges:**
  - Rewriting can take years and requires approval from a locality's Board of Supervisors
  - Public awareness campaigns to educate and relieve anxieties regarding changes (including meetings, advertisements, etc.)
  - Public may be uneasy with non-traditional housing types, especially when these are adjacent to existing single-family neighborhoods. However, the zoning process and standards should ensure that any negative impacts from these new housing types are minimal.
- **Benefits:**
  - Through providing greater housing choices, the locality can accommodate its current residents while attracting new ones. This is particularly helpful for seniors aging in place, new families, young professionals, various income earners, and housing the workforce.
- **Examples:**
  - [Richmond Zoning Code Refresh](#) – the City of Richmond's rewrite of their zoning code, initiated to align their zoning ordinance with the vision and goals outlined in their Comprehensive Plan, [Richmond 300](#). The rewrite focuses on guiding future housing development.
  - [Chesterfield Zoning Ordinance Modernization \(ZOMod\)](#) Project, full zoning code rewrite that serves to align Chesterfield County's zoning ordinance with their Comprehensive Plan.

## 6. Land Use/Zoning: Incentivize ADUs, Prioritize for Affordable Housing<sup>3</sup>

- **What it does:** Accessory dwelling units (ADUs) are small homes owned and managed by existing homeowners in the community. ADU programs often allow single-family homeowners to build small "accessory" units in garages, in the back or side yards, or attached to their home. Some programs also allow ADUs within the existing building's structure.
- **How it works:** Through changes to the local zoning ordinance, a jurisdiction can permit development of additional housing units on parcels currently zoned exclusively for single-family units. ADUs may be allowed by-right in certain districts or permitted with a conditional approval. After construction, localities will issue a certificate of occupancy that allows the homeowner to lease out the unit.

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<sup>3</sup> <https://pharva.com/solution/goal-1-increase-the-supply-of-affordable-rental-housing-in-the-region/solution-1-d/>

- **Benefits:**
  - Units can be low-cost because of their small size and can be a source of affordable rental housing for young workers, seniors, family members, or caretakers
  - Provides additional income for those renting the ADUs
  - Efficient use of existing infrastructure and land
  - Preserves neighborhood character
  - Supports walkable and transit-oriented neighborhoods
  - Lowers carbon footprint through lower energy needs (both for construction and those renting)
- **Challenges:**
  - Considerations of neighborhood character, which can be addressed during the development of program guidelines and zoning changes.
  - Some programs require owner occupancy of the primary living unit.
  - Some programs require accessory units to be attached or detached rather than allowing them to be within the existing building. Incorporating a small apartment on the second floor of an existing home is often cheaper.
  - Parking is often a neighborhood concern.
- **The following localities include language about ADUs in their code:**
  - Chesterfield County, VA
  - Goochland County, VA
  - Hanover County, VA
  - Henrico County, VA
  - New Kent County, VA
  - Powhatan County, VA, [Powhatan Accessory Dwelling Unit Handout](#)
  - City of Richmond, VA, [Accessory Dwelling Units webpage](#)

## **7. Dedicated Revenues and Taxes: Dedicate Local Revenue Streams for Affordable Housing**

- **What it does:** Sets aside funding from consistent revenue streams for affordable housing projects and programs. Revenue streams may include one or several of the following:
  - A portion or total of the real estate transfer tax or document recording fees collected in real estate transactions
  - A portion of property taxes collected, or a share of the increases in property taxes for a certain type of development or the jurisdiction as a whole
  - A portion of sales tax collected (lodging taxes, meals taxes, etc.)
  - Fees associated with development (developer fees, linkage fees, and permit fees)

- Income generated by other publicly owned or funded programs (interest on loans granted from local bonds, proceeds from the sale of publicly owned property, or income from other programs)
- A portion of funding from the locality's Capital Improvement Program budget
- **Who is responsible:** This would likely require adoption by the local governing body of an ordinance or resolution to dedicate the annual revenue stream identified for affordable housing.
- **Potential cost to the locality:** Dependent on specific revenue stream identified. Cost would be in future revenues from property taxes, sales taxes, or other revenue source lost to General Fund and set aside for affordable housing.
  - For example, if 2% of the increase in property tax revenues from FY24 to FY25 were set aside, that would equate to \$906,656 in revenue directed to affordable housing that would otherwise have been included in the General Fund budget. (PHA)
- **Examples:**
  - Henrico Affordable Housing Trust Fund: Revenue from property tax increases from data center developments directed to AHTF
  - Fund 30300, "[The Penny for Affordable Housing Fund](#)" (Fairfax County, Virginia) - established in FY 2006 to act as a readily available source of funding for affordable housing programs, using revenue equal to one cent of the value from the Real Estate tax rate to source the fund.

## **8. Expand Funding for Home Repair and Rehabilitation Programs**

- Many seniors and low-income households cannot manage or afford home repairs, leading to unsafe and energy inefficient homes. Rehabilitation assistance can allow these populations to continue to live safely in their home and bring down utility costs.
- **How it works:** The locality provides assistance to an intermediary (usually a nonprofit) with the ability to identify and address critical needs, either through their own staff or through a private contractor. Skilled volunteers can address some types of critical repairs (stairs, railings), while licensed vendors will need to address others (roofs, heating). Current lead abatement services provided by nonprofit organizations are crucial to this work and should be expanded.
- **Cost:**
  - Requires new funding.
  - Cost of paying the intermediary (usually a non-profit organization)
- **Who is responsible:**
  - Local government housing staff: identify households in need, manage waiting list

- Social services and healthcare staff: identify needs through home visits or other client interactions.
- Nonprofit service providers: conduct and certify income qualification and other eligibility requirements; perform home inspection/assessment; complete the work or contract with another provider to do so
- Private contractors: perform repairs
- **Key challenges:**
  - Demand for these services exceeds resources.
  - Conditions can be too severe to repair the underlying issues without major, intrusive work—or complete replacement of the home.
  - Household members may have other critical needs, including healthcare issues, that should be addressed simultaneously.
- **Examples:**
  - [project:HOMES – Critical Home Repair Program](#) (City of Richmond, Henrico, Chesterfield Counties, Tri-Cities -- Colonial Heights, Hopewell, Petersburg). One-time critical home repair assistance to qualifying low-income homeowners.
    - Plumbing, electrical work, roof and floor repair and replacement, repair and replacing unsafe porches, steps, railings.

## **9. Partner with Economic Development Authority to Provide Performance Grants for Affordable Housing Development (City of Richmond)**

- **What it is:** The Affordable Housing Performance Grant Program, a partnership between the City of Richmond and the Economic Development Authority (EDA), aims to encourage private development of new affordable multi-family housing. Initiated in 2023, the program offers grants to offset the real estate tax burden of new developments for an initial 15-year period, with the possibility of extending it for another 15 years.
- **How it works:** The City of Richmond provides abatement on incremental property tax increases for developers of affordable housing projects (the annual increases from the base property tax when a development is first completed). The amount of the incremental property tax revenue that is granted back to the developer depends on the percentage of the development that is affordable to households at 80% AMI or below and the depth of affordability for the affordable units (receive a “boost” if 20% of the units are at 50% AMI).
- **Who is responsible:** Applications are reviewed by the EDA and the City of Richmond’s Department of Housing and Community Development, with recommendations submitted to the EDA Board and City Council for approval.
- **Potential cost to the locality:** The cost to the City of Richmond is primarily the incremental real estate tax revenues generated by the approved projects. The grant payments are calculated based on the difference between the real estate taxes levied

on the property before and after the improvements (Incremental Real Estate Tax Revenue). Additionally, the city may incur administrative costs associated with managing the program, but these are partially offset by an annual grant administrative fee equal to 1% of the annual grant value paid by the awardees.

- **Potential impact (who it would help, how much it could help):**
  - Developers and Property Owners: Those who construct, own, and operate new multi-family residential rental projects in the City of Richmond can receive financial incentives to help close financing gaps.
  - Low-Income Households: Households with annual incomes at or below 80% of the Area Median Income (AMI), and especially those at or below 50% of the AMI, will have increased access to affordable rental housing.
  - Minority and Emerging Small Businesses: The program encourages a goal of 30% participation from minority and emerging small businesses during the construction phase, providing opportunities for these businesses to gain contracts and work.
  - The City of Richmond: By addressing the affordable housing shortage, the city can promote economic development, improve community welfare, and enhance the livability of the area.
  - Local Economy: The development of affordable housing can stimulate local economic growth through construction activities and increased consumer spending by new residents.
- **Impact:** In its first 12 months, the program received applications from seven developments and produced over 1,200 units of affordable housing.

## **10. Improve Permitting and Processes: Provide Incentives for Including Affordable Housing in Residential Development**

- **May include:**
  - Fee waivers (permits, sewer/water connections)
  - Expedited review (subdivision, environmental, permitting, rezoning)
  - Density bonuses
  - Reduced parking requirements
- **What it does:** Reduces the overall cost of the development or rehabilitation of affordable housing because taxes and fees significantly increase the cost of development.
  - Expedited review helps avoid delays in the development process.
  - Reduced parking requirements can lower land or construction costs through requiring fewer spaces to be provided.

- **Who's responsible:** Permitting offices are responsible for fee waivers and expedited reviews. Expedited review requires jurisdictions to update and amend their traditional review process. This may require implementing several new measures, such as:
  - Utilize a permit software to handle some or all permits.<sup>4</sup>
  - Allow certain licensed professionals the ability to self-certify permits.
  - Allow concurrent rather than chronological review.
  - Create special review teams.
  - Offer or require pre-application meetings to address complexities and confusion ahead of the application process.
  - Increase cross-department collaboration, such as regular meetings or a central place to collaborate.<sup>5</sup>
- **Potential impact (who it would help, how much it could help):**
  - **Expedited review** helps developers avoid the negative effects associated with delayed development, such as:
    - Permits expire and developer must reapply
    - Interest of loan payment increases
    - Loss of certain funds such as grants that may be time sensitive
    - Developer fully loses ability to develop
  - Financial incentives like **fee waivers** can help make affordable development more feasible and attractive to developers. When affordable housing is added as a portion of a given residential development, other market rate homes are added to the housing stock as well.
  - **Density bonuses** allow developers to build more units than they are legally allowed by underlying zoning. More units mean greater returns for the developer.
  - **Parking requirements** increase the land area needed for a development and drive up development costs. Reducing or eliminating parking requirements allows for more land to be dedicated to housing or businesses, lessens the need for covered or underground parking, reducing the cost of a development. These are large savings for the developer when structured parking can cost between \$25,000 to \$65,000 per space<sup>3</sup>. Too much parking can cause sprawl, increased driving time, and pollution.
- **Examples:**
  - [Henrico Affordable Housing Trust Fund](#) - Waived water and sewer connection fees and building permit fees, cost reductions to homebuyers could approach 30%. Expedited review process for new developments that include affordable lots. For sale properties only, no rental units.

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<sup>4</sup> <https://www.claritisoftware.com/permit-software-buyers-guide-everything-you-need-to-know>

<sup>5</sup> <https://localhousingsolutions.org/housing-policy-library/streamlined-permitting-processes/>

- Fewer than a third of Henrico’s households could afford the cost of a median home in Henrico (\$355,000) in 2023.
- The income needed to afford a home in Virginia has increased by 76% between 2020-2024.<sup>6</sup>
- [Affordability Unlocked Development Bonus Program](#) (Austin, Texas) - Waivers and development restriction modifications
  - Half of total units are affordable = height and density increases, parking and compatibility waivers, reductions in minimum lot sizes
- [Alexandria, VA - Reduced parking requirements](#) based on development type and location, such as housing near transportation, high walkability score
- Richmond, VA removes parking requirements 2023

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<sup>6</sup> <https://henrico.gov/news/2024/05/henrico-to-create-trust-to-enhance-access-to-affordable-homeownership/>