

Memorandum re: Proposed Ordinance No. 2025-138 (Residency Requirements)

To: Richmond City Council

From: Interim Chief Administrative Officer Sharon Ebert, on behalf of Mayor Avula

June 11, 2025

Overview

Mayor Avula's top strategic priority is helping Richmond become a model, 21st-century public sector organization: in short, a local government that provides a wide variety of services at a very high level, that acts strategically to address the City's challenges, and that is trusted and respected by its residents across the nine districts.

To achieve this goal will require strong, skilled leadership across all City agencies. The City of Richmond operates in a competitive regional labor market for skilled and experienced public servants.

- Over 80% of residents in the Richmond metropolitan area live outside the City of Richmond.
- The city is the state capital of Virginia, and the Commonwealth of Virginia is a major employer in the city and region.
- There are seventeen local governments in the Richmond metropolitan area, including the cities of Colonial Heights, Hopewell, Petersburg and Richmond as well as thirteen counties: Amelia, Charles City, Chesterfield, Dinwiddie, Goochland, Hanover, Henrico, King and Queen, King William, New Kent, Powhatan, Prince George, and Sussex.

The City of Richmond competes for talent with each of these localities as well as the state government. In this environment, it can be challenging to obtain and retain top talent.

Fundamentally, we must ask ourselves this question: is the City of Richmond truly serious about obtaining the strongest and most qualified candidates possible for its crucial leadership positions?

If the answer is yes, then we should avoid taking policy steps which hinder our ability to recruit and retain the best talent.

That is why the Avula Administration respectfully but firmly opposes the proposed ordinance in its current form.

Problems with Currently Proposed Ordinance

The Avula Administration respectfully opposes the proposed legislation to expand the number of city employees required to reside in the City of Richmond from 12 to 43 under Section 2-1204 of the Code of the City of Richmond.

We appreciate the sponsoring Council members' intent to improve government responsiveness and community connection. We also acknowledge the efforts to minimize immediate disruption through a "grandfather" clause and an 18-month compliance period. However, this proposal lacks a compelling rationale for such a significant policy shift and would likely have adverse long-term effects on the city's ability to recruit and retain top public-sector leadership.

1. No Clear Statement of Problem

The Transmittal Letter suggests that residency will enhance accountability and responsiveness. However:

- Directors with key operational responsibilities—such as those leading DPW and DPU—are already required to reside within the city (with eligibility for a waiver).
 - Deputy Chief Administrative Officers (DCAOs), who provide strategic leadership across multiple departments and drive policy implementation, are also required to live in the city.
 - The suggestion that residency improves service is not supported by any data. Directors routinely provide high-level service, long work hours, and emergency responsiveness regardless of residential status.
 - Performance management is the responsibility of the CAO and Mayor. If issues arise, they should be addressed through clear oversight and accountability—not a residency mandate.
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2. Why Residency Flexibility is Important

When the City Code was amended in 2019 to **reduce residency requirements**, several compelling reasons were cited—each of which remains relevant today:

- **Access to a Regional Talent Pool:** The Richmond metropolitan area operates as an integrated labor market. Qualified candidates frequently reside in neighboring localities,

and the previous policy shift acknowledged that the best leadership often comes from across the region, not solely within city boundaries.

- **Recruitment Competitiveness:** The city was at a disadvantage in recruiting experienced public professionals—especially when competing with counties and state agencies that had no such requirement. Amending the code helped Richmond modernize and compete more effectively for leadership talent.
- **Workforce Flexibility:** The prior code revision acknowledged that rigid residency rules limited the city’s ability to attract dual-income households, mid-career professionals with school-age children, and others with legitimate constraints on relocating.
- **Retention of Internal Talent:** The change also prevented the loss of high-performing internal candidates who were otherwise eligible for promotion but lived just outside city limits.

Those same workforce pressures and operational imperatives still apply today.

3. Recruitment, Retention, and Diversity Risks

- Over 80% of metro-area residents live outside Richmond. Imposing a strict residency requirement would eliminate a majority of potential Richmond-area applicants for Director roles.
- It would also undermine recent steps—such as joining the Virginia Retirement System—to make the city a more attractive and competitive employer.
- The requirement could disqualify professionals with deep ties to Richmond, including those who grew up in the city but now live in surrounding counties due to affordability or family obligations.
- A residency mandate risks diminishing the diversity of backgrounds and experiences within leadership, especially for historically underrepresented groups disproportionately affected by housing costs and displacement.
- As a point of information, our neighboring counties Chesterfield, Hanover and Henrico Counties have residency requirements for the following positions: Chesterfield – County Administrator; Hanover – County Administrator, County Attorney and Sheriff; Henrico – County Manager, County Attorney, Police Chief and Fire Chief.

4. Best Practices in Local Government

- Across the country, many local governments have **moved away** from rigid residency requirements in favor of performance-based accountability.

- The modern workforce prioritizes flexibility, and many jurisdictions recognize that a leader’s **skills, values, and effectiveness** matter far more than their zip code.
 - Encouraging—rather than mandating—residency is the norm in many well-managed cities, allowing jurisdictions to hire the best possible people while still promoting civic engagement and connection.
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5. Administrative Impact and Operational Disruption

- The proposed expansion would likely delay hiring, increase turnover risk, and disrupt agency leadership.
 - Directors who are promoted internally or recruited from nearby jurisdictions may decline roles if they require relocation—especially given housing market realities.
 - The ordinance would undermine the Administration’s ability to assemble the strongest, most qualified leadership team to serve Richmond residents.
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Conclusion

The proposal offers no evidence that residency requirements improve performance, and it ignores the rationale that led the city to relax such requirements just a few years ago. The expanded residency mandate would weaken our recruitment pipeline, disrupt operations, reduce diversity, and ultimately harm the city’s ability to serve its residents effectively.

The Administration welcomes and encourages Director-level hires to live in the City of Richmond, and we will continue to promote that goal during onboarding—particularly for those relocating from other regions. However, requiring it for 43 leadership roles would be inappropriate and counterproductive.

For these reasons, the Avula Administration respectfully opposes this ordinance.