

INTRODUCED: January 12, 2026

A RESOLUTION No. 2026-R003

To commit to working with the City's Administration to develop and implement a comprehensive energy efficiency program that reduces the energy burden and cost of living for vulnerable households, supports small businesses, assists in the preservation of housing and the stabilization of neighborhoods, and makes meaningful progress towards the City's climate goals.

Patrons – Ms. Lynch, Mr. Breton, Vice President Jordan, Ms. Abubaker and Ms. Gibson

Approved as to form and legality
by the City Attorney

PUBLIC HEARING: JAN 26 2026 AT 6 P.M.

WHEREAS, the Council recognizes the ongoing housing affordability crisis facing residents, in part due to rising home prices and a lack of affordable units available to rent or own, especially for low-income residents; and

WHEREAS, the Council understands that Virginia residents are at the forefront of increasing energy demands and rising energy costs, driven by the rapid growth of data centers, population growth, economic development, and increased reliance on natural gas, among other things; and

AYES: _____ NOES: _____ ABSTAIN: _____

ADOPTED: _____ REJECTED: _____ STRICKEN: _____

WHEREAS, upon information and belief of the Council, approximately 28,000 households in Richmond, or nearly one-third of all households, are energy-burdened, defined by the American Council for an Energy-Efficient Economy as spending over 6% of their income on energy costs, compared to an average household spending of 3.1 percent; and

WHEREAS, by Resolution No. 2020-R024, adopted June 8, 2020, the Council recognized the effects of global warming caused by human activity and established a climate action goal to achieve a 45 percent reduction in greenhouse gas emissions by 2030 and net zero greenhouse gas emissions by 2050 from the 2008 baseline; and

WHEREAS, by Ordinance No. 2020-236, adopted December 14, 2020, Council adopted “Richmond 300: A Guide for Growth” as the Master Plan of the City including Goal 14 that outlines a vision for Inclusive Housing that protects mixed-income communities from displacement by preserving existing housing units - both renter- and owner-occupied - throughout the city; and

WHEREAS, by Resolution No. 2021-R049, adopted September 13, 2021, Council declared the existence of a climate and ecological emergency; and

WHEREAS, by Resolution No. 2021-R032, adopted June 14, 2021, Council expressed its support for achieving equity and justice in access to resources and opportunities through the implementation of the City of Richmond’s Equity Agenda; and

WHEREAS, Resolution No. 2021-R032, recognized, among other things, that racial inequity is the result of structural racism that is embedded in our historical, political, cultural, social, and economic systems and institutions; and

WHEREAS, by Resolution No. 2023-R005, adopted February 13, 2023, Council adopted the City of Richmond RVAgreen 2050: Climate Equity Action Plan 2030, hereinafter known as

“RVAgreen 2050 plan,” as the official sustainability plan for the City; and established targets to reduce greenhouse gas emissions 45 percent by 2030 and to achieve net zero greenhouse gas emissions by 2050; and

WHEREAS, the RVAgreen 2050 plan identified that an estimated 16.8 percent of the City’s greenhouse gas emissions are from the residential energy sector and an estimated 27.7 percent of the City’s greenhouse gas emissions are from the commercial energy sector; and

WHEREAS, a key objective of the RVAgreen2050 plan is “BE-2: Maximize energy efficiency, performance and resilience in all existing buildings,” including both residential programs to reduce energy burden and commercial programs; and

WHEREAS, Mayor Avula’s seven pillars for a thriving Richmond include “Thriving neighborhoods (that meet our housing needs),” ensuring residents from all income levels “can afford good housing in safe neighborhoods with strong public amenities,” and “A thriving and sustainable built environment (planned for future generations)” with a “Shift toward a net zero greenhouse emission local economy”; and

WHEREAS, upon information and belief of Council, energy burden disproportionately affects neighborhoods that have faced structural racism through redlining, discriminatory zoning, and related forms of historical disinvestment; and

WHEREAS, upon information and belief of Council, energy efficiency retrofits can help preserve existing housing and stabilize neighborhoods by reducing the cost of staying in homes, preventing displacement; and

WHEREAS, small businesses and nonprofits provide critical community support, jobs, and local leadership, and, upon information and belief of Council, are struggling to keep up with rising energy costs; and

WHEREAS, upon information and belief of Council, nearly 18,000 rental households are energy-burdened, and multi-family apartment complexes are commonly classified as commercial buildings and should be targeted for energy efficiency upgrades; and

WHEREAS, upon information and belief of Council, weatherization and energy efficiency upgrades can reduce energy burden by up to 25 percent and can save households hundreds of dollars annually on their energy bills when those reductions are direct savings on utilities or reduce rental rate increases; and

WHEREAS, upon information and belief of Council, improvements in energy efficiency improve the health and quality of life for occupants, for example, by maintaining comfortable temperatures, reducing indoor air pollution, and addressing moisture issues such as mold, and that these health and quality of life outcomes have proven to provide spillover benefits including reduced absenteeism from school and work; and

WHEREAS, the Council recognizes the potential benefit of fully utilizing existing funds from state, federal, and utility energy efficiency programs by providing more flexible funding sources that can fill the gaps of other efficiency and weatherization programs; and

WHEREAS, upon information and belief of Council, a City-funded energy efficiency program can allow for installation of the most energy-efficient (and therefore cost-effective) equipment, such as heat pumps, that may not be permitted by other more restrictive funding sources; and

WHEREAS, upon information and belief of Council, project:HOMES, the sole implementer of the federal Weatherization Assistance Program (“WAP”) funds in Richmond, has a typical wait time of 1.5 years for WAP services, and often has to defer service due to lack of funds that meet a home’s specific needs; and

WHEREAS, upon information and belief of Council, several gas utilities, including Charlottesville's municipal gas utility, Columbia Gas, Washington Gas, Baltimore Gas & Electric, and Dominion Energy South Carolina, offer some kind of energy efficiency program such as attic insulation rebates; and

WHEREAS, the City of Richmond has not funded its gas efficiency program (City Code Sec. 28-110 (c)) and its current language (City Code Sec. 28-110(d)) could encourage continued investment in fossil fuel appliances; and

WHEREAS, upon information and belief of Council, while improvements to reduce the lost and unaccounted for gas from the operation of the City's gas utility have occurred, there is still an opportunity to further reduce as much as practical to align with the City's goal of net-zero emissions; and

WHEREAS, upon information and belief of Council, energy efficiency retrofits reduce safety hazards with repairs to structural deficiencies in floors, roofs, electrical systems, and more; and

WHEREAS, the August 2025 allocation of funds from the Affordable Housing Trust Fund to the Healthy Homes Program is a welcome step forward, but upon information and belief of Council, the City requires consistent, year-over-year, funding to reach its housing and sustainability goals, allowing for expansion of staff capacity and the ability to serve a higher number of homes and businesses.

NOW, THEREFORE,

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF RICHMOND:

That the Council hereby commits to working with the City's Administration to develop and implement, to the extent permitted by law, a comprehensive energy efficiency

program that reduces the energy burden and cost of living for vulnerable households, supports small businesses, assists in the preservation of housing and the stabilization of neighborhoods, and makes meaningful progress towards the City's climate goals.

BE IT FURTHER RESOLVED:

That Council hereby commits to working with the City's Administration and local nonprofits to create an equitable plan that implements a funding program to help leverage existing funding sources to meet the above goal.

BE IT FURTHER RESOLVED:

That Council hereby commits to working with City's Administration on legislative and funding opportunities, to the extent permitted by law, to identify new funding sources to support this accelerated energy efficiency work in the City.

DATE: January 5, 2026

TO: The Honorable Members of City Council

THROUGH: RJ Warren, Council Chief of Staff

THROUGH: Will Perkins, Senior Legislative Services Manager

FROM: The Honorable Stephanie Lynch, Councilmember 5th District

RE: To commit to working with the City's Administration to develop and implement a comprehensive energy efficiency program that reduces the energy burden and cost of living for vulnerable households, supports small businesses, assists in the preservation of housing and the stabilization of neighborhoods, and makes meaningful progress towards the City's climate goals.

CNL-2025-0025

PURPOSE: This resolution commits Council to develop and fund an energy efficiency program, in partnership with the City Administration, the City's Office of Sustainability, the Department of Housing and Community Development, Department of Public Utilities, and Department of Neighborhood and Community Services, local nonprofits like project:HOMES and Viridian, and others as necessary. The program will be designed to reduce energy burden and cost of living for households on the front lines of climate change and rising energy costs, support small businesses, preserve housing and stabilize neighborhoods, and make meaningful progress towards the Mayor's focus areas across the city, including affordable housing, climate equity, and building thriving neighborhoods.

BACKGROUND: In 2023, the City of Richmond declared a housing crisis, citing rising home prices and a lack of affordable units available to rent or own. Energy costs are also rising across the state, in part due to a surge in demand driven by data centers. Residential energy rates increased 20% statewide from 2021-2025, and additional increases are expected.

Roughly 1 in 3 Richmond households (over 28,000 in total) have a high energy burden, meaning that over 6 percent of their household income is spent on energy costs like electricity, natural gas, or propane. For low-income residents, that number rises to over 17 percent. Energy burden and rising costs disproportionately affect neighborhoods that have faced structural racism through

redlining, discriminatory zoning, and related forms of historical disinvestment; in Richmond, census tracts with majority Black and Brown households have some of the highest energy burdens. Weatherization and energy efficiency upgrades can reduce energy burden and save households hundreds of dollars annually on their energy bills. In addition to cost benefits, energy efficiency upgrades can improve and stabilize existing housing stock and provide health and quality of life benefits.

Federal sources for weatherization and energy are at risk, making strong state and local programs even more essential. Existing state funding sources for weatherization and energy efficiency upgrades include the Virginia Energy Assistance Program (EAP), Weatherization Deferral Repair (WDR) program, and utility programs. Richmond Gas Works does not currently offer any energy efficiency funding or incentives. Richmond's Healthy Homes program also provides moderate repairs to improve the sustainability, health, and affordability of residents' homes. However, these funds and programs alone are not sufficient to meet the deep needs in Richmond. State and utility funding sources have strict requirements, and without additional, more flexible funding sources, it is challenging for service providers to braid together sufficient funds for some projects. This results in dollars left on the table that could have been used to benefit Richmond residents. Additional capacity to perform repairs and retrofits is also needed, which requires reliable, continuous funding to enable expansion of staff. Finally, policies and programs tailored towards serving renters are needed, since renters typically do not control building repairs or retrofits. Richmond needs a comprehensive, continuous energy efficiency program to achieve objective BE-2 RVAGreen2050, "Maximize energy efficiency, performance, and resilience in all existing buildings."

COMMUNITY ENGAGEMENT: Councilmembers engaged the Community Climate Collaborative, Sierra Club Falls of the James Group, and project:Homes in drafting this resolution.

ALIGNMENT WITH OTHER STRATEGIC INITIATIVES:

- Resolution No. 2021-R032, adopted June 14, 2021, to express the City's support for achieving equity and justice in access to resources and opportunities through the implementation of the City of Richmond's Equity Agenda.

- Resolution No. 2021-R049, adopted September 13, 2021, to declare the existence of a climate and ecological emergency that threatens the city of Richmond, the surrounding region, the Commonwealth of Virginia, civilization, humanity, and the natural world.
- Resolution No. 2023-R005, adopted February 13, 2023, to adopt the City of Richmond RVAgreen 2050: Climate Equity Action Plan 2030 as the official sustainability plan for the City of Richmond in accordance with Res. No. 2021-R049, adopted Sept. 13, 2021 including this strategy: "BE-2: Maximize energy efficiency, performance and resilience in all existing buildings," including both residential programs to reduce energy burden and commercial programs.
- Chapter 5 of the City's Master Plan entitled "Richmond 300: A Guide for Growth" - Goal 14 outlines a vision for Inclusive Housing that protects mixed-income communities from displacement by preserving existing housing units - both renter- and owner-occupied - throughout the city.
- Mayor Avula's Pillars: "Thriving neighborhoods (that meet our housing needs)", ensuring residents from all income levels "can afford good housing in safe neighborhoods with strong public amenities," and "A thriving and sustainable built environment" that leads a "shift toward a net zero greenhouse emission local economy";

FISCAL IMPACT: Council staff estimate funds are sufficient in the Fiscal Year 2026 budget to fulfill the requests of this resolution.

DESIRED EFFECTIVE DATE: Upon Adoption

REQUESTED INTRODUCTION DATE: January 12, 2026

CITY COUNCIL PUBLIC HEARING DATE: January 26, 2026

REQUESTED AGENDA: Consent

RECOMMENDED COUNCIL COMMITTEE: Land Use, Housing, and Transportation

AFFECTED AGENCIES: Office of Sustainability; Department of Public Utilities, Department of Housing and Community Development, and Department of Neighborhood and Community Services

RELATIONSHIP TO EXISTING ORD. OR RES.: N/A

ATTACHMENTS: N/A

STAFF: Will Perkins, Senior Legislative Services Manager, (804-382-7811)