

City of Richmond Legislative Proposals
for the
Virginia General Assembly 2022 Regular Session

Requests for Funding and Legislation

INFRASTRUCTURE

Combined Sewer Overflow (CSO) – The General Assembly has mandated that that City substantially eliminate all combined sewer overflows into the James River by 2035, a goal estimated to cost upward of \$1.3 billion. With the \$50 million ARPA funds allotted to the City of Richmond during the 2021 General Assembly Special Session II, along with the \$50 million in local match, plans are underway to initiate Capital Improvement Projects. Interim Plan projects – ten projects over the next six years that will cut combined sewer overflow volume by 182 million gallons per year have been approved by the State DEQ, while the City’s Final Plan project plan is due to DEQ by July 2024. The City of Richmond is grateful for the state investment to-date but the city and its ratepayers cannot do it alone. The General Assembly is requested to provide consistent funding in successive state budgets to enable the city to complete this project by 2035 as mandated.

Lead Service Line Replacement Funding - The City has been working with the Virginia Department of Health Office of Drinking Water for the past three years to develop and institute a lead service line rebate program for homeowners. This program has awarded the City of Richmond a \$500,000 grant annually towards the replacement of lead service lines on homeowners’ property under the VDH-ODW Financial and Construction Assistance Programs. Currently, the City of Richmond estimates it has 12,000 lead service lines that need to be replaced. In today’s dollars we estimate this will cost \$35 million. The City requests that the state include \$1 million for this effort in each of the next fiscal years. This will enable the City to double its homeowner lead service line reimbursement program to address this critical water quality and environmental justice issue.

ENVIRONMENTAL/ECO-TOURISM

James River Master Plan Eco & Historical Tourism – The James River Park System is the finest urban wilderness in the United States and has transformed the City of Richmond, and in turn, defined our resident’s identity. As the seat of state government for the Commonwealth of Virginia, the Park System has also transformed the state. With more than 600 acres extending from Ancarrow’s Landing to the Huguenot Flatwater, it is Richmond’s largest public park. The primary attraction of the park are the more than 22 miles of interconnected trails, open to bikes and foot traffic. The trail network navigates along both banks of the James River, affording views and access to the river with ample non-motorized watercraft activity. The Park was recently named one of the top six river parks in the United States by outdoor retailer REI. State financial assistance for this gem to the state and the city is requested to fulfill the vision for immersive historical and eco-tourism sites. This funding would help bring the \$250,000 of investment to lay out a vision and a blueprint for the historical and eco-tourism experience in the James River Master Plan into fruition. This vision includes four eco-labs and two immersive historical sites located at Ancarrow’s Landing and along the Richmond Slave Trail. Request a total of \$30 million in the state budget to help seed these capital projects that will yield a significant return on investment for the Richmond community and the Commonwealth of Virginia.

HOUSING

Combat Gentrification - To prevent the increasing displacement of long-term owner occupants due to dramatically rising property tax assessments caused by neighborhood gentrification, the City is requesting that the General Assembly authorize local governments to develop and implement means tested long term owner-occupied real estate tax relief programs. Local real estate tax relief programs are currently limited to the elderly, disabled and certain veterans, omitting lower income homeowners who are not

elderly or disabled. The Constitution of Virginia must be amended before General Assembly can grant this authority. The City is requesting that this process be initiated in the 2022 session.

Inclusionary Zoning/Affordable Housing – The City of Richmond should be given the local authority to establish an inclusionary zoning ordinance to mandate a specific number of affordable housing units within a development. The share of low- and middle-income renters with cost burdens is increasing in the city, as the median rent has reached a record high. Minimum- and average-wage workers cannot afford most available market-rate rental units. Although the rental stock is increasing, most new additions are not considered affordable to Richmond residents. For all these reasons the city would like to be able to require developers to set aside a portion of units in a market-rate residential development for low- or moderate-income households. This request aligns with the Richmond 300 Master Plan, the Equitable and Affordable Housing Plan, and the city’s Equity Agenda.

Redevelopment of Creighton Court/Transformation of Public Housing – The Creighton Court housing project was built in 1953 at a time when the prevailing housing philosophy was to cluster low-income residents into segregated government funded and operated housing projects. This philosophy has failed, as have the facilities that were built to carry it out. The families that have called this community home for years, deserve a quality and safe place to call home. The City is requesting \$27 million in state funding to assist in the redevelopment of the Creighton Court community. While these awards are important, they only amount to a portion of this project; additional funding from the Commonwealth would allow for this project to continue without delays. In the Summer of 2021, Virginia Housing awarded Creighton Court 9% Low-Income Housing Tax Credits (LIHTC). These tax credits allow RRHA and development partners to move forward on the first phase consisting of sixty-eight (68) low-income units serving residents at or below 60% of the City’s Area Median Income (AMI). Federal funding is also being sought and the City recently committed additional funds to this project. These dollars will fulfill the FY23 funding needs for the construction and infrastructure costs of Creighton’s Phase A transformation into a mixed-income, flourishing community of choice.

TRANSPORTATION/MOBILITY/VISION ZERO

Use of Radar Enabled Cameras – The City requests that the authority to use radar-enabled speeding and red-light cameras be expanded to include business, park, and residential districts. Legislation was enacted in the 2020 General Assembly session permitting their use in posted school crossing zones and work zones. This authority should be expanded to include residential, park, and selected business districts.

Policy Statements

EDUCATION

Significant progress was made in public education funding during the past two legislative sessions but much remains to be done. The City fully supports the RPS 2022 State Legislative Priorities for funding as adopted by the Richmond School Board. The City expresses particular support for:

Enhanced At-Risk Add-On – The General Assembly should approve and fund the Virginia Board of Education proposal to consolidate the current At-Risk Add-On as well as the Prevention, Intervention, and Remediation programs into a single fund with expanded funding.

Provide School Capital Construction Funding: General Assembly actions taken during last August’s special session dedicated \$250 million in state Fiscal Recovery Funds specifically toward improving school ventilation systems. This was an important step toward modernizing some of our aging schools, and similar, more general, funding must continue. The City supports broad-based state assistance with school capital needs, as well as providing additional tools for localities to raise revenues, statewide authority for

local governments to impose a one percent sales tax designated for school construction and renovation, to undertake critically needed building and renovation projects.

HOUSING

The City requests and supports General Assembly actions to provide local governments with all possible tools to deal with the impacts of a market that, on the one hand, is vibrant, and on the other driving home prices upward to the point of being unaffordable for a vast majority of residents. The city needs to increase the supply of affordable housing. The Commonwealth can encourage this by providing local governments additional sources for financing and encouraging all possible resources to leverage federal dollars to the benefit of affordable workforce and senior housing. Any and all tools to encourage private developers and non-profits to develop, construct and/or rehabilitate housing that is affordable should be incentivized by the state including:

Housing Opportunity Tax Credit - During the 2021 session, Gov. Ralph Northam signed into law legislation creating a state low-income housing tax credit (LIHTC). S.B. 1197 creates the Virginia housing opportunity tax credit, which will have a \$15 million annual allocation for five years, applying to taxable years beginning on or after Jan. 1, 2021. The state credit will match federal 4% and 9% LIHTC allocations. We already know that demand will outstrip supply. Therefore, the City supports increasing the dollars available for the Virginia Housing Opportunity Tax Credit by at least \$10 million.

Housing Trust Fund - The City supports increased funding for the Virginia Housing Trust Fund. The City also supports changes that would provide greater flexibility in using a portion of the Fund to match local housing trust funds to support innovative housing projects and low-and moderate-income housing projects located in areas experiencing extreme shortages of such housing. The City also recommends that the state amend the Industrial Revitalization Fund to allow use for housing services and other innovative housing options to meet affordable housing development and sustainability.

Evictions - As the COVID-19 pandemic has laid bare an already exacerbated eviction problem in the Commonwealth, especially in the City of Richmond, further work needs to be done to create a healthier balance between those seeking to obtain or maintain adequate housing and those with housing to offer. The City is supportive of the following items:

- Prohibiting evictions for lease violations based on a local nuisance ordinance.
- Requiring a provision in leases for early lease termination for medical reasons for senior or disabled tenants.
- Lowering the statutory maximum amount a landlord may require as a security deposit in a lease from two months to the equivalent of one month's rent.
- Requiring eviction records be sealed within a specified amount of time and automatically expunged where cases are dismissed or decided in favor of the tenant.
- Requiring that tenants facing eviction for reasons other than nonpayment of rent be entitled to legal counsel.

SOCIAL/HEALTH & HUMAN SERVICES

Reauthorize the TANF for Employment Program – The City of Richmond Office of Community Wealth Building has been the recipient of a multi-year Virginia TANF for Employment grant that has enabled many OCWB participants to become trained, employed and thriving in family-sustaining ways. The City supports the reauthorization and expansion of the Virginia Department of Social Service's TANF for Employment Grant Program for an additional five years.

Virginia Opioid Abatement Authority Funding - The Commonwealth of Virginia created the Opioid Abatement Authority expressly to provide grants and loans to Virginia agencies and certain localities

for the purpose of treating, preventing, and reducing opioid use disorder and the misuse of opioids in the Commonwealth. The City of Richmond requests that such funding from the national opioid settlement be used to assist those without health insurance or Medicaid coverage with recovery from addiction.

Health Equity Trust Fund – The Commonwealth of Virginia has integrated principles of equity and inclusion into the public health infrastructure of state government—an approach that has been instrumental in the state’s response to COVID-19. The City supports extending this approach by establishing and funding a Health Equity Trust Fund.

Community-based Services – The City supports additional funding in FY 2022-2023 for Mental Health and Substance Abuse Services to include: community based, recovery-focused mental health, substance abuse and emergency/crisis stabilization services; drug treatment facilities for individuals that have addiction problems but who are currently housed in jails or prisons; and mental health training, communication training for prison and jail staff.

Group Home Support - Virginia does not reimburse group homes for the cost of care of those with severe mental illness. The City strongly encourages the Commonwealth to provide support for group homes for adults with severe mental illness and to allow the use of the 1115 waiver to pay for residential services.

Virginia Grocery Investment Fund - Food Deserts – The City supports “full” funding of \$5 million for the Virginia Grocery Investment Fund to include financial and technical support for businesses to expand and ensure greater access to healthy food for residents of the Commonwealth.

ENVIRONMENTAL

Stormwater Local Assistance Funding - The City supports increased state funding for stormwater infrastructure improvements and more flexibility in use of these funds. More funding from the state is needed to help Richmond maintain its existing current infrastructure and build new infrastructure. The Stormwater Local Assistance Fund (SLAF) should receive more funding beyond \$50 million and cost matching between the state and localities should be reexamined as this model is not equitable for cities with high poverty rates. Eligible uses for the SLAF funds should include green stormwater management initiatives funding such as green roofs, rain gardens, and biowales, as well as municipal depaving projects.

TAXATION/TAX POLICY

Virginia Opportunity Zone Investment – The City supports requiring state opportunity zones to make investments within neighborhoods with severe economic inequality, a requirement that was promised in 2017.

TRANSPORTATION

Street Maintenance Funding and Formula – The City supports increased funding for the State’s urban street maintenance program. Further, the City supports changes in the statutory provisions for the urban street maintenance funding formula by employing a state-of-the-art asset management approach that uses life cycle costs, pavement, and bridge conditions, and recognizes on-street parking lanes and turning lanes, to allocate maintenance funding to cities and towns.

GENERAL GOVERNMENT

Virtual City Council Meetings -The City supports authorizing local governments, as well as local advisory boards and commissions, to conduct certain meetings virtually.