

# Affordable Housing Trust Fund

## Ord. 2026-001

**Mayor Danny Avula**

*February 2, 2026; Organizational Development Committee*



Everyone agrees:

# **RICHMOND IS IN A HOUSING CRISIS**

# THE CURRENT STATE OF HOUSING

Mayor Danny Avula affirms in his comprehensive housing plan that we are still in **a housing affordability and supply crisis** and that we need to take aggressive action to get out of it.

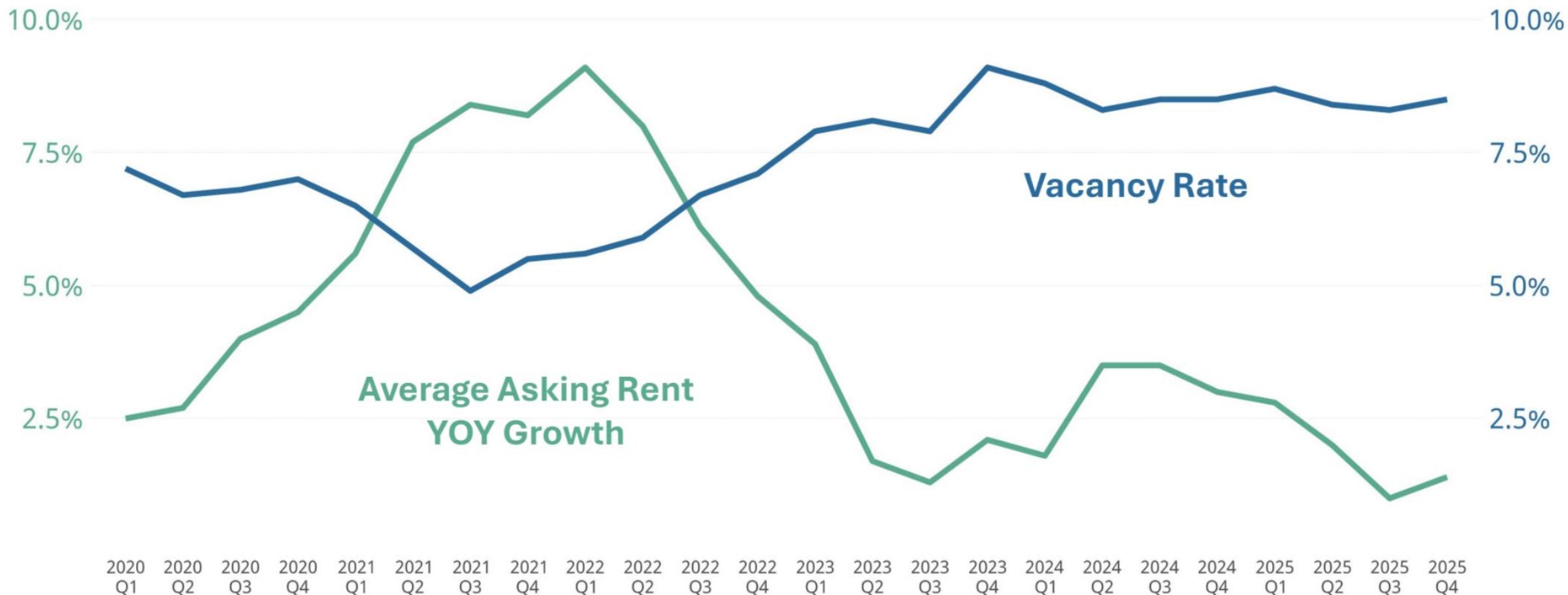
Partnership for Housing Affordability confirms: Richmond is beginning to see rent growth stabilize as added housing supply comes online!

In 2023, City Council and City Administration together declared a housing crisis in the City of Richmond.

*(Res. No. 2023-R019)*

# Rent growth cooling as new supply comes online

*Average asking rent YOY growth and vacancy rate: 2020 Q1 to 2025 Q4*



**We need to double down  
on what's working and  
try new things, too.**

# Implementation of *City Code §12-46* has been **challenging** for many reasons.



Both ordinances repeal City Code §12-46, and we are all waiting on the findings of the auditor's report.

Many contributors across our teams have worked for months to chart a workable path forward.

We have made compromises and revised our ordinance several times throughout the fall in coordination with Council representation. We remain open to finding a path forward together.

MEANWHILE, THE CITY (MAYOR AND COUNCIL!) HAS BEEN HARD AT WORK ON AFFORDABLE HOUSING...



We have invested over **\$50 million** in construction and preservation of affordable housing from multiple funding sources over the last five years.



That investment has produced **5,328 units** that are in pre-development, under construction, or completed.



Halfway through our 10-year Equitable Affordable Housing Plan, we are **on track** to meet its goals.

# MAYOR DANNY AVULA'S PLAN FOR THE AHTF



## Predictable funding for AHTF

\$10 million minimum annual commitment by ordinance



## Dedicated funding source

15% of Real Estate Tax Growth



## Repeal the existing ordinance

### Built-In Fiscal Responsibility

- Allows for multiple funding sources to be considered given economic conditions
- Does not require the 15% of growth to be more than \$12 million
- Ensures effectiveness of AHTF as a vehicle for housing production by not requiring additional resources if the current resources are not committed

### Built-in Accountability

- Citizen oversight of deployment of funds
- Mandates evaluation and reporting to Council

# CONSISTENCY

The proposed **\$10 million annual commitment** provides the necessary *minimum* funding suggested by the City's Equitable Affordable Housing Plan to meet Richmond's affordable housing needs of **10,000 new units** (1,000 units/year) over the 10 years of the plan (2021-2030).

# PREDICTABLE AND FISCALLY RESPONSIBLE

! This obligation is **NOT** discretionary

The only exceptions for not funding the obligation are if the \$10 million appropriation would:

- reduce available funds below **required** reserve levels or
- impair the City's ability to maintain financial obligations that are **required by law**.

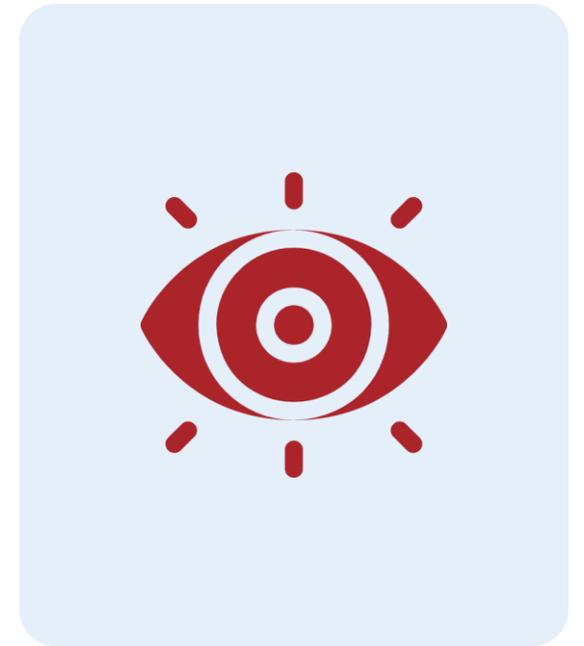
# A PLAN WE CAN AFFORD

- The City has many critical obligations
- We often are responding to unforeseen needs – like January crises!
- Mayor Danny Avula’s plan responsibly funds the construction of affordable housing without reducing other funded departments or mandates or jeopardizing other obligations.
- **Our Financial Advisors (Davenport) affirm the fiscal stewardship prioritized in this plan**



# TRANSPARENT

- Requires reporting to Council
- Allows for citizen oversight of primary dedicated funding for construction and preservation
- Mandates a comprehensive review and impact report every four years so that Council can evaluate the ongoing effectiveness of the tool.



# ONE PART OF A COMPREHENSIVE HOUSING PLAN

**1.** **AHTF:** Establish **predictable funding** for the construction and preservation of affordable housing.

**2.** **Robust Anti-Displacement Programs:** Deliver on **anti-displacement** by improving administration of our existing programs.

**3.** **Code Refresh:** Update **the zoning code** to increase the housing supply and to streamline permitting and approval processes.

**4.** **Public Housing Redevelopment:** Commit to collaborative **public housing redevelopment** by holding RRHA accountable and centering residents.



# KEY STAKEHOLDERS ENDORSING MAYOR DANNY AVULA'S HOUSING AFFORDABILITY PLAN

Jovan Burton, Executive Director, **Partnership for Housing Affordability**

Laura Lafayette, CEO of the **Richmond Association of REALTORS®** and **Central Virginia MLS**

Erica Sims, President, **HDAdvisors**

Tom Fitzpatrick, Executive Director, **Housing Opportunities Made Equal of Virginia**

Donté McCutchen, Director of Civic Engagement and Community Services, **Virginia Union University**

“The Avula administration’s proposed ordinance to provide dedicated funding to the Affordable Housing Trust Fund is an incredibly important step forward in the evolution of the fund.

It is the first time that an administration has committed to a legally binding, consistent level of cash funding for the AHTF. The ordinance will codify this commitment and do so in a way that is transparent to all stakeholders.

The developers of affordable housing need to know that the AHTF will be a resource that they can consistently rely upon to provide capital for their projects. The AHTF is not a panacea, but it is a critically important tool in the affordable housing toolbox; and this ordinance strengthens that tool significantly.”

## Laura Lafayette

CEO of the Richmond Association of REALTORS® and Central Virginia MLS



# QUESTIONS?



**CITY OF  
RICHMOND**