

2021 City of Richmond

Legislative Proposals for the Virginia General Assembly

EDUCATION

Public Education Funding — Provide full and equitable funding for the true costs of public education in the Commonwealth of Virginia. Immediate goals should be increasing funding through equity-based funding streams, removal of the funding caps for support staff, and providing sufficient general funds for direct aid programs so that 100 percent of the lottery proceeds can be returned directly to local schools for discretionary use. Further, meaningful state financial support for school modernization and construction is critical, either by maximizing Lottery funds and/or creation of a new funding stream. (Newbille, Larson)

Suggested Revised Language

Public Education Funding (*Position Statement*) - Significant progress was made in public education funding during the 2020 Regular Session. However, much of that progress has subsequently been deferred due to the economic impact of the COVID-19 pandemic. The City believes the 2021 General Assembly session should focus on restoring the deferred funding for public education while continuing to mitigate the ongoing impact of COVID-19. The City fully supports the RPS 2021 State Legislative Priorities for funding as adopted by the Richmond School Board.

Mandatory Wi-Fi assess for distant learning not discriminate by low-income communities. (Robertson)

NOTE: Need more specificity on the change being sought before a legislative request or position statement can be drafted.

EVICTION/LANDLORD TENANT

Suggest the following three items be combined into a single item:

- **Nuisance Ordinance Evictions** (*Request for Legislation*) – Prohibit evictions for lease violations based on a local nuisance ordinance or for repeated police calls. (Jones)
NOTE: Question for City Attorney – Could this legislation be applied to existing rental contracts or would it have to be applied prospectively?
- **Early Lease Termination** (*Request for Legislation*) – Require that residential property leases include a provision allowing early termination for medical reasons by a tenant who is a senior or disabled – Seniors and people with disabilities who need to move due to medical reasons that make them unable to care for themselves should be allowed to terminate their lease early. (Jones)
NOTE: Question for City Attorney – Could this legislation be applied to existing rental contracts or would it have to be applied prospectively?
- **Decrease to Maximum Amount for Security Deposit** (*Request for Legislation*) – Lower 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. (Jones)
NOTE: Question for City Attorney – Would this require landlords to refund existing security deposits that exceed one month's rent?

Sealing/Expungement of Eviction Records (*Request for Legislation*) – Require that eviction records be sealed within a specified amount of time and that such records be automatically expunged where cases are dismissed or decided in favor of the tenant. Each of these would increase access to housing opportunities because it would remove the weight of an eviction from a tenant's application. (Jones)

NOTE: Potential state fiscal impact.

Legal Counsel for Tenants (*Request for Legislation*) – Require that tenants facing eviction for reasons other than nonpayment of rent be entitled to legal counsel. The Eviction Diversion Program only provides assistance for those facing eviction because of nonpayment of rent. Tenants who have representation throughout eviction proceedings fare better than those who do not have access to an attorney. (Jones)

NOTE: Potential state fiscal impact.

Landlord Registry (*Request for Legislation*) – Allow localities enact ordinances requiring all residential rental property owners to register each unit owned and require contact information for the owner or an individual designated by the owner. Also allow localities to recoup the costs of maintaining the registry from registrants. (Jones)

NOTE: Potential local government fiscal impact.

HOUSING

Affordable Housing, Gentrification, and Eviction - The City seeks all possible tools to deal with the impacts of a market that, on the one hand, is vibrant, and on the other is driving home prices upward to the point of being unaffordable for a vast majority of residents. The following state legislation and the passage of legislation enumerated under 21st Century Richmond: Planned Growth Economic Progress & Affordable Housing would be most helpful as we build a Richmond for all. (Newbille)

Suggested Revised Language

Affordable Housing, Gentrification, and Eviction (*Position Statement*) - 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 is driving home prices upward to the point of being unaffordable for a vast majority of residents. The City of 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 a state tax credit program specifically for affordable housing.

Local Homestead Property Tax Exemption (*Request for Legislation*) - Authorize localities to establish a local Homestead Property Tax Exemption program that would allow a lump sum deduction from the assessed value of a residential single-family home based on a fixed deduction amount that is set by the local governing body on an annual basis. Provide an exemption of up to 20% of the just value of the homestead. (Larson)

NOTE: A similar item was included in the 2020 legislative package.

Tax Abatement for Low Income Housing – Forego tax abatement for non-profit housing or developers to allow tax abatement for taxes if they create or provide low income and affordable housing. (Robertson)

NOTE: Need more specificity on the change being sought before a legislative request or position statement can be drafted.

New Construction Affordable Housing Tax Abatement – Allow affordable housing tax abatements to be used outside of designated conservation areas, which would promote the development of more affordable housing outside of conservation areas. (Robertson)

§ 58.1-3219.4. - The governing body of any county, city, or town may, by ordinance, provide for the partial exemption from taxation of (i) new structures located in a redevelopment or conservation area or rehabilitation district or (ii) other improvements to real estate located in a redevelopment or conservation area or rehabilitation district. The governing body of a county, city, or town may (a) establish criteria for determining whether real estate qualifies for the partial exemption authorized by this section, (b) establish requirements for the square footage of new structures that would qualify for the partial exemption, and (c) place such other restrictions and conditions on such new structures or improvements as may be prescribed by ordinance. **NOTE: See proposed policy statement above**

Extend State Real Estate Tax Sale Law – Change state law as it relates to property rights of heirs. (Robertson).

NOTE: Need more specificity on the change being sought before a legislative request or position statement can be drafted.

Real property taxes; blighted and derelict properties in certain localities (HB 755) – Add the City of Richmond in the provisions by including adjustments for inclusion for blight and by adjusting the stress index to capture the City of Richmond. As passed, the current index of 107 in the bill only includes Petersburg and Emporia. The density of Richmond, age and dereliction of buildings in the area needs to be addressed. (Hilbert)

Suggested Revised Language

Real property taxes on blighted and derelict properties (*Request for Legislation*) - Adjust the qualifying criteria for localities that are authorized to treat blighted properties and derelict structures as a separate class of property for local taxation of real property to capture the City of Richmond. As currently structured, the criteria for qualification in the statute only includes Petersburg and Emporia.

GOVERNMENT/OPERATIONS

Amend Mandatory Labor Agreement Laws terms and conditions - Consider legislation for procurement to require a community partnership agreement when there is any public investment. (Robertson)

NOTE: Need more specific information on the change being sought and a definition for “a community partnership agreement” before a legislative request or position statement can be drafted.

Exclusion of Designees from the Mayor’s Office from City Council Closed Session Meetings -

Authorize Council to limit attendance at any Council closed session only to members and designated staff. (Larson)

Suggested Revised Language

Exclusion of Mayor’s Designees from City Council Closed Sessions (*Request for Legislation*) – The City requests that the Charter be amended to authorize the City Council to limit attendance at any closed session of the City Council to only its members and designated staff.

NOTE: The Richmond General Assembly delegation has stated that they prefer consensus between the Council and Mayor prior to moving forward with Charter changes.

SOCIAL/HUMAN SERVICES

Wrap Around Child Care – The City supports efforts to provide seamless, affordable access for the most at-risk families to quality wraparound early childhood services – including home visiting, subsidized childcare, and preschool. (Newbille)

Suggested Revised Language

Wrap Around Child Care (*Position Statement*) – The City supports efforts to provide seamless, affordable access to quality wraparound early childhood services for at-risk families – including home visiting, subsidized childcare, and preschool through increased funding and improved state and local service delivery systems.

VIRGINIA & GENERAL LAWS

Require law enforcement officers to identify and explain themselves to the public (Robertson)

NOTE: Need more specificity on the change being sought before a legislative request or position statement can be drafted.

TAXATION

Cannabis and Cannabinoid Tax – Allow localities to implement a point of sale tax on cannabis and cannabinoid products. Point of sales tax rate shall not exceed any existing sin tax imposed by a given locality. Point of sales tax will be contingent upon cannabis and product’s continued classification as a nutritional supplement. (Lynch)

Suggested Revised Language

Cannabis and Cannabinoid Tax (*Position Statement*) – The City supports authorizing localities to implement a point of sale tax on cannabis and cannabinoid products packaged and sold as a nutritional supplement. The point of sales tax rate should not exceed any existing sales tax rate imposed on tobacco products by the locality.

TRANSPORTATION/MOBILITY/VISION ZERO

Use of Radar Enabled Cameras - Provide cities with the authority and access to use radar-enabled speeding and stoplight cameras to further Vision Zero goals by issuing educational no-fee citations for first time offenders. HB1442 passed in the GA 2020 session, which applies to posted school crossing zones or work zone speed limit. (Addison)

Suggested Revised Language

Use of Radar Enabled Cameras (Position Statement) – The City supports expanding the authorized use of radar-enabled speeding and red light cameras to include business and residential districts. Legislation was enacted in the 2020 General Assembly session permitting their use in posted school crossing zones and work zones.

Bicycle Traffic Requirements – Allow bicyclists to treat a stop sign as a yield sign and a red light traffic signal as a stop sign, in alignment with Council adopted Res. 2019R069 as amended. (Addison)

Suggested Revised Language

Bicycle Traffic Requirements – (Request for Legislation) Authorize cities and towns to permit bicyclists to treat a stop sign as a yield sign and a red light traffic signal as a stop sign on highways maintained by the locality.

BUDGET/ FUNDING

Affordable Housing Trust Fund - The City supports additional state funding for the Virginia Housing Trust Fund. The City also supports providing for a portion of the Fund to be used to provide matching funds to localities that have established local housing funds and grants to be made from the Fund. Increase the Affordable Housing Trust Fund in FY 22 by at least \$25 million and to include new language in the proposed budget to support innovative housing projects and low-and moderate-income housing projects that are located in areas experiencing extreme shortages of such housing. (Newbille, Robertson)

Suggested Revised Language

Affordable Housing Trust Fund (Position Statement) - The City supports the restoration of funding for the Virginia Housing Trust Fund that was deferred due to the economic impact of the COVID – 19 pandemic. 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 that are located in areas experiencing extreme shortages of such housing.

Transformation of Public Housing Fund – Request the Transformation of Public Housing Fund appropriation be a dollar for dollar match from the Commonwealth to local jurisdictions that have public housing stock. (Hilbert)

Note: NOTE: Need more information on the Transformation of Public Housing Fund before a legislative request or position statement can be drafted.

Stormwater Funding - Provide increased funding for stormwater infrastructure improvements – More funding from the state is needed to help Richmond maintain current infrastructure and install 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 smaller, independent cities with lower tax bases. (Jones).

Suggested Revised Language

Stormwater Funding (Position Statement) - The City supports increased state funding for stormwater infrastructure improvements – 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 smaller, independent cities with lower tax bases.

NOTE: This is related to, but separate from, the Combined Sewer Overflow funding issue.

Food Deserts – Support “full” funding for approaches (including but not limited to a \$5 million appropriation for the Virginia Grocery Investment Fund) that include financial and technical support for businesses to expand and ensure greater access to healthy food for residents of the Commonwealth. *Last year \$3.5 million was requested and half was received.* (Newbille)

Suggested Revised Language

Virginia Grocery Investment Fund - Food Deserts (Position Statement) – 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. In the 2020 session, \$3.5 million was requested and half was received.

Street Maintenance Formula- Revise the State funding formula for street paving and maintenance to ensure equitable funding for independent cities and urban areas that in the current formula do not receive adequate funding for on-street parking areas and turning lanes. (Newbille and Addison)

Suggested Revised Language

Street Maintenance Funding and Formula – (Position Statement) The City supports increased funding for the State’s urban street maintenance program and revisions to the program funding formula to cover maintenance of on-street parking lanes and turning lanes.

ENVIRONMENTAL

Green Building Codes – Authorize local governments to adopt code amendments applicable to new construction or renovations of existing buildings which increase energy conservation, water conservation, or environmental protections. (Larson)

Suggested Revised Language

Green Building Codes (Position Statement)– The City supports authorizing local governments to adopt building code amendments applicable to new construction or renovations of existing buildings which increase energy conservation, water conservation, or environmental protections.

Expand PACE program - Expansion of the Commercial - Property Assessed Clean Energy program (PACE program) to include “all” residential buildings in addition to commercial buildings. (Larson)

Suggested Revised Language

Participation in Federal Pace Program (Position Statement) - The City supports enabling legislation that would allow the Commonwealth to participate in the Residential - Property Assessed Clean Energy program (PACE program). Residential PACE is a federal Department of Energy program that allows homeowners to finance energy efficiency, renewable energy and other eligible improvements on their homes using private sources of capital. PACE programs are typically enabled through state legislation and authorized at the local government level. Municipalities may directly administer residential PACE programs, or through public-private partnerships with one or more PACE providers.

Public Housing Remediation/Environmental – Authorize funds provided through the Virginia Brownfields Restoration and Remediation Program (§ 10.1-1237) to be used for public housing remediation due to the effects of environmental injustice in public housing communities. Include language in the budget for FY 22/23 an item for the Virginia Brownfields Restoration and Economic Redevelopment Assistance Fund. (Newbille, Robertson)

Suggested Revised Language

Brownfields Fund – Authorize funds provided through the Virginia Brownfields Restoration and Economic Redevelopment Assistance Fund (§ 10.1-1237) to be used for public housing remediation due to the effects of environmental injustice in public housing communities such as constructing public housing over former solid waste landfills.

Items Contingent on Pending Special Session or Other Actions

Eviction Relief for those Experiencing Hardship Due to COVID-19 – 1) Provide additional state funding for those unable to pay rent due to reduced work hours or job loss, 2) provide extended grace periods for

renters (two weeks rather than 5 days to allow people to receive their next pay check),and 3) impose a moratorium on eviction filing. (Jones)

Medicaid Expansion – Expand Medicaid to include oral health and dental services for adults. Additionally, eliminate the work requirement as a requirement and consideration to receive Medicaid coverage. (Newbille)

Mental Health – The city supports additional funding in FY 22-23 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. (Newbille)

Ban on Militaristic Weapons and Military-Grade Vehicles in Local Departments - Ban local police from receiving funding for, dedicating funding to, and purchasing militaristic weapons and vehicles. “Militaristic weapons” includes, but does not need to be limited to, tear gas, rubber bullets, wooden bullets, and flash bangs. (Jones)

End Discriminatory Profiling – Protect Virginians against discriminatory profiling. (Robertson)

Virginia Oversight Law – Include the Virginia State Police in the citizen review board legislation being considered during the special session. (Robertson)

Protect Virginians against unlawful searches (Robertson)

Gray Machines: Contingent upon Gray machines continuing in Virginia post July 1, 2021, require the Governor to disperse a 15% ‘add-on’ to the 19% that localities receive through the COVID-19 Gray Machines Special Fund. Localities must meet the criteria below in order to qualify for the add-on. This criteria conforms to the language in § 58.1-4107. (Lynch)

- 1. Any city (i) in which at least 40 percent of the assessed value of all real estate in such city is exempt from local property taxation, according to the Virginia Department of Taxation Annual Report for Fiscal Year 2018, and (ii) that experienced a population decrease of at least seven percent from 1990 to 2016, according to data provided by the U.S. Census Bureau;
- 2. Any city that had (i) an annual unemployment rate of at least five percent in 2018, according to data provided by the U.S. Bureau of Labor Statistics; (ii) an annual poverty rate of at least 20 percent in 2017, according to data provided by the U.S. Census Bureau; and (iii) a population decrease of at least 20 percent from 1990 to 2016, according to data provided by the U.S. Census Bureau;
- 3. Any city that (i) had an annual unemployment rate of at least 3.6 percent in 2018, according to data provided by the U.S. Bureau of Labor Statistics; (ii) had an annual poverty rate of at least 20 percent in 2017, according to data provided by the U.S. Census Bureau; (iii) experienced a population decrease of at least four percent from 1990 to 2016, according to data provided by the U.S. Census Bureau; and (iv) is located adjacent to a state that has adopted a Border Region Retail Tourism Development District Act;
- 4. Any city (i) with a population greater than 200,000 according to the 2018 population estimates from the Weldon Cooper Center for Public Service of the University of Virginia; (ii) in which at least 24 percent of the assessed value of all real estate in such city is exempt from local property taxation, according to the Virginia Department of Taxation Annual Report for Fiscal Year 2018; and (iii) that experienced a population decrease of at least five percent from 1990 to 2016, according to data provided by the U.S. Census Bureau; and
- 5. Any city (i) with a population greater than 200,000 according to the 2018 population estimates from the Weldon Cooper Center for Public Service of the University of Virginia; (ii) in which at least 24 percent of the assessed value of all real estate in such city is exempt

from local property taxation, according to the Virginia Department of Taxation Annual Report for Fiscal Year 2018; and (iii) that had a poverty rate of at least 24 percent in 2017, according to data provided by the U.S. Census Bureau.

NOTE: The legislation authorizing gray machines is set to expire on June 30, 2021 and the Governor has committed to veto any legislation that proposes to extend it beyond that date. The Council may want to consider either delaying action on this item until January or including it on a contingent basis.

Items Already Addressed in State law or by Other Actions

Inclusionary Zoning/Affordable Housing – Provide authority for the City of Richmond to adopt an affordable housing dwelling unit/inclusionary zoning program that is responsive to the demands of the Richmond market. (Newbille, Robertson, Larson)

Mandatory Affordable Dwelling Unit Program - The City requests that §15.2-2304 of the Code of Virginia, which allows certain localities to adopt a mandatory affordable dwelling unit program, be amended to include/apply to the City of Richmond. (Newbille)

NOTE: The passage in the 2020 General Assembly of Sen. McClellan’s SB 834 and Del. Carr’s HB 1101 was deemed to be an option for those localities that are not expressly named in § 15.2-2304. The General Assembly made clear its intent that local governments must choose to be covered under one process or the other, but they will not be permitted to use both. The City of Richmond needs to decide whether they would prefer the affordable dwelling unit strictures of § 15.2-2304 or of § 15.2-2305.1 FYI --- The City of Charlottesville opted in to § 15.2-2304 during the 2020 General Assembly Session.

RECOMMENDATION: Council may wish to receive a detailed briefing from the City Administration on the relative benefits of each program authorized by the General Assembly and decide which one it would like to proceed under.

Statewide Disparity Study with a Focus on Minority Business Contractors (similar to the study being done for the city). (Jones).

Study on Virginia’s procurement process related to minority business enterprises and spending (percentage and dollar amount) on minority business enterprises as compared to non-MBEs. (Jones)

Mandatory statewide equity and equality plan with certain procurement terms and conditions (Robertson)

NOTE: Last year the Governor issued Executive Order Number 35 “Advancing Equity for Small-, Women-, Minority-, and Service Disabled Veteran-Owned Businesses in State contracting. That order included numerous directives including the following:

- The Commonwealth conducted procurement disparity studies in 2002 and 2009. Conduct an updated disparity study on women- and minority-owned business participation in the Commonwealth’s procurement transactions This study shall: (i) determine if disparity exists and (ii) if so, determine why the disparity exists and what solutions or remedies could be implemented, specifically evaluating narrowly-tailored race and gender conscious programs.
- Executive Branch Agencies with procurement responsibilities shall review practices, procedures, and proposal evaluation criteria to identify and remove barriers or limitations to SWaM participation. A section on “barriers or limitations” shall be included in annual Executive Branch Agency SWaM plans. SWaM plans shall be developed and submitted to DSBSD by September 1. DSBSD shall submit the annual SWaM Plan Compliance Report to the Secretary of Commerce and Trade on October 1 of each fiscal year.

In addition, the Governor has tasked the Office of Diversity, Equity, and Inclusion for the Commonwealth of Virginia to create a strategic plan to advance visible diversity, equity, and inclusion for state government agencies. The forums that were scheduled to receive public input have been cancelled because of CV-19 concerns. But they are looking for ways that other sectors can participate, including non-profit organizations, local municipalities, businesses, and K-12 school districts. Suggestions and feedback will help inform the development of an actionable and measurable framework that will foster collective and tangible change and guide Virginia's effort to address statewide inequities.

Items that could potentially be implemented under Existing Authority

Zoning Laws to Eliminate Discrimination for Transitional Housing - Require zoning laws to allow housing choices by right for shelters and transitional housing which would eliminate housing discrimination for homeless shelters and transitional housing. (Robertson)

NOTE: Question for the City Attorney - Can the City include these requirements in its zoning ordinances without a change in state law?

Reduction of Speed Limit to 15 miles per hour in certain residential neighborhoods – Allow localities to reduce speed limits in their residential neighborhoods to 15 miles per hour. Localities are limited to reducing speeds in interior streets as defined by the city's traffic engineer. This measure would require localities to follow the existing established process for changing speed limits. (Lynch)

NOTE: § 46.2-875 Code of Virginia states “The maximum speed limit shall be 35 miles per hour on highways in any city or town, except on interstate or other limited access highways with divided roadways and in business or residence districts. However, municipalities that maintain their own roads may increase or decrease speed limits on highways over which they have jurisdiction following appropriate traffic engineering investigation.” **Question for City Attorney** - Can the Council direct the City traffic engineer to conduct the appropriate traffic engineering investigation and implement a lower speed limit?

Plastic Bag Tax Allocation- With regard to plastic bag tax implementation, require the allocations of money for plastic bag revenue generated from (HB534) to be spread with 40% going to the purchase and distribution of reusable totes for SNAP and WIC recipients until supplies achieve a point level according to the needs of recipients; 30% to environmental cleanup and remediation; 30% for education. (Hilbert)

NOTE: This is not a state tax but is a local option tax. § 58.1-1745 Code of Virginia states: “All revenue accruing to the county or city from a tax imposed under the provisions of this article shall be appropriated for the purposes of environmental cleanup, providing education programs designed to reduce environmental waste, mitigating pollution and litter, or providing reusable bags to recipients of Supplemental Nutrition Assistance Program (SNAP) or Women, Infants, and Children Program (WIC) benefits. Therefore, it is up to City Council to enact ordinance imposing the tax and determine proportional use of the revenues. Any ordinance cannot go into effect until January 1, 2021.