

CITY OF
RICHMOND
—
VIRGINIA



A CITY THAT TELLS ITS
Stories
FY26 Budget commits:

\$100,000 for The Black History Museum and Cultural Center, Inc.



thriving
What
thriving Richmond
look like to you

Scholars Thriving!

Vicarious Mission-Driven
Community

FY2027 Proposed Budget Work Session

Roadmap to a Thriving Richmond



Planning & Economic Development Portfolio — March 18, 2026

MAYOR DANNY AVULA • CAO ODIE DONALD II

AGENDA

- **Seven Pillars**
- A Year in Review
- FY27 Planning & Economic Development Portfolio
- FY27 Proposed Budget
- FY27 What you can expect
- Conclusion
- Appendix



MAYOR'S SEVEN PILLARS



1. **A Thriving City Hall** (that gets things done)
2. **Thriving Neighborhoods** (that meet our housing needs)
3. **Thriving Families** (where every child succeeds)
4. **A Thriving Economy** (that leaves no one behind)
5. **Thriving and Inclusive Communities** (where everyone's rights are protected)
6. **A Thriving and Sustainable Built Environment** (planned for future generations)
7. **A City That Tells Its Stories** (and tells the truth about its past)



HOUSING AND ECONOMIC DEVELOPMENT PORTFOLIO



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A YEAR IN REVIEW:

Planning & Economic Development Portfolio



City Hall



- PDR implemented a new interdepartmental "Site Plan Review" process that replaced the "Plan of Development" process, is implementing a new permitting and inspection software program called Trimble Unity (new version of CitiWorks) to replace EnerGov and launched a new Development GIS dashboard map.
- OCWB streamlined alignment with the City's statutory mandates governing the office to increase compliance through policy, partnership coordination and a live dashboard. 5 positions reclassified towards these goals and 100% of program staff completed Career Coach training through Jobs for the Future.
- Sustainability staff adopted an Energy Management Policy (Jan 2026) with RPS, bringing RPS in alignment with our Energy Management Administrative Regulation (April 2025) and OOS launched RVAgreen Community Outcomes Tracker on its website.



A YEAR IN REVIEW:

Planning & Economic Development Portfolio



Neighborhoods



- PDR staff completed two drafts of the City's new zoning code and is working on version 3.0. In addition, the team obtained Planning Commission approval of the Oak Grove/Bellemeade/Hillside Court Small Area Plan and the Cultural Heritage Stewardship Plan.
- HCD staff helped 48 households be housed using Housing Opportunities for Persons with Aids (HOPWA) funding, supported 379 individuals with safe, stable overnight accommodations and case management services in our emergency shelters using ESG funds, and completed 800 affordable housing units.
- Sustainability staff invested \$1.9M grant funds into Urban Greening and Workforce Development via “Cool the City”, provided Home Energy Audits as part of HCD's Healthy Homes Initiative using \$262,000 allocated through the US Dept of Energy - Energy Efficiency & Conservation Block Grant, and levered \$10,000 USDN Catalyst Grant to reduce energy costs at RRHA's Whitcomb Court through energy analysis and efficiency measures.
- OCWB outreach staff connected with more than 1,000 residents with resources to support food insecurity, fiscal health and economic mobility. 168 residents actively participated.



A YEAR IN REVIEW:

Planning & Economic Development Portfolio



Families



- PDR staff adopted new zoning code regulations for retail tobacco to ensure "vape shops" are code compliant, and created a Residential Rental Inspection Program (RRIP) to ensure our existing rental housing stock is safe and code compliant for tenants.
- OCWB spent \$1.1 million on summer youth programming serving 702 youth. 42 families were supported through the Richmond Resilience Initiative guaranteed income program receiving \$500/month for two years.
- Sustainability staff partnered with RPS to have the RPS School Board adopt an Energy Management Policy in alignment with the Richmond's Energy Management Administrative Regulation.



A YEAR IN REVIEW:

Planning & Economic Development Portfolio



- Economic Development staff delivered services to 200+ businesses & added 72 new projects leads, launched a pilot buy-local program supporting over 453 small businesses, approved two Tourism Development Financing Program (TDFP) projects creating 618 new hotel rooms and \$150M in capital investment, and supported \$89.7 million in new capital investment and the creation or retention of 347 jobs.
- OCWB is currently supporting 183 residents on pathways to new careers including certifications, training and/or job placements with a current average hourly wage of \$20.12/hr. This includes: 18 individuals that completed construction training and received job placements with Kirila Construction and LiUna!, 22 individuals completed the Industrial Skills Assessment, and 5 completed Manufacturing Essentials Certification.
- OCWB's 42 AmeriCorps members completed 11,379 hours across 14 host sites.
- HCD issued an RFP for city-surplus property to create affordable rental housing in Shockoe Bottom, assisted 658 households in accessing housing counseling services, and provided 17 first-time home buyers, earning less than 80% of the area median income (AMI), homeownership assistance



A YEAR IN REVIEW:

Planning & Economic Development Portfolio



- Sustainability staff implemented the 5-cent Disposable Bag Tax, planted 1174 trees, installed the city's first city-owned solar array on TB Smith Community Center, developed an energy benchmarking plan with the Richmond Fire Department and joined the United States Department of Energy Better Buildings/ Better Plants Challenge to reduce energy usage per square foot by 10 percent in 5 years.
- OCWB staff in partnership with Sustainability staff helped 8 residents graduate with solar energy credentials with FLIPP, Inc; with an earning potential of \$344,000 annually and helped AmeriCorps members to improve over 217,000 sq. ft. of at-risk public land, removing invasive species and fostering food security; 50% of the annual goal was achieved in the first quarter of the grant.



A YEAR IN REVIEW:

Planning & Economic Development Portfolio



Storytelling



- PDR staff in collaboration with DGS staff are working with the Shockoe Institute to develop a new interpretive space in the lower level of Main Street Station's Train Shed to tell Richmond's story as the second largest domestic slave trade center in the country which will open in April.
- DED/EDA staff in collaboration with the Richmond Flying Squirrels will celebrate the grand opening of CarMax Park Richmond's new minor league baseball stadium owned by the EDA on April 7th, 2026.
- Sustainability staff celebrated the 3rd Anniversary of RVAgreen 2050, launched the RVAgreen Communities Outcome Tracker and its Joint Energy Team (JET) was showcased as a model leader on national and statewide stages with the US Dept of Energy, the Virginia Alliance for Clean Energy (VACE) and the Virginia Energy Purchasing Governmental Association (VEPGA).



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PLANNING & ECONOMIC DEVELOPMENT PORTFOLIO

Mission

The Planning and Economic Development portfolio's mission is to plan and grow the city sustainably so that all people and places are thriving.

Departments

- Department of Planning and Development Review
- Department of Housing and Community Development
- Department of Economic Development
- Office of Community Wealth Building
- Office of Sustainability



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DEPARTMENT OF PLANNING & DEVELOPMENT REVIEW

FY27 General Fund Investment

Personnel Budget (General Fund)



\$470,060
NET DECREASE

FY 26 Adopted: \$15,835,178
FY 27 Proposed: \$15,365,118

FTE	FY 2026	FY 2027
Total FTE	144	140.5
Current Vacancy*	14	-

Data reflects information presented to Council on March 2

Total FY27
Headcount:
140.5
Funded FTEs

KEY PERSONNEL DATA

Justification: There will be a decrease in staffing of 3.5 positions

Operating Budget (General Fund)



\$90,393
NET INCREASE

FY 26 Adopted: \$2,314,367
FY 27 Proposed: \$2,404,760

Key Drivers

- Two percent reduction from FY26 adopted budget with an overall net decrease in General Funds of \$379,667.

KEY OPERATIONAL DATA

Funding sources in addition to General Fund monies include \$6,039,469 in building permit fees that fund personnel and operating expenses associated with the review and administration of building and inspection permits and \$250,000 for public art.

DEPARTMENT OF HOUSING & COMMUNITY DEVELOPMENT

FY27 General Fund Investment

Personnel Budget (General Fund)



\$530,014
NET INCREASE

FY 26 Adopted: \$1,580,149
FY 27 Proposed: \$2,110,163

FTE	FY 2026	FY 2027
Total FTE	10.17	13.37
Current Vacancy*	2	-

*Data reflects information presented to Council on March 2

Total FY27
Headcount:
13.37
Funded FTEs

KEY PERSONNEL DATA

Justification: Mayor's proposed general fund budget increases staffing by 3.20 FTEs.

NOTE: The total FTEs for the department are 20 as some positions are funded with federal grant entitlements (CDBG, HOME, ESG and HOPWA)

Operating Budget



\$176,435
NET INCREASE

FY 26 Adopted: \$ 831,081
FY 27 Proposed: \$1,007,516

Key Drivers

- Mayor is adding \$450,000 in General Funds to support the implementation of the Jackson Ward Community Plan and the transformation of Gilpin Court.

KEY OPERATIONAL DATA

NOTE: HCD also receives funding from U.S. Department of Housing and Urban Development (HUD) through four entitlement programs: CDBG, HOME, ESG and HOPWA to support personnel and operations.

Total net increase in funding \$706,449

DEPARTMENT OF ECONOMIC DEVELOPMENT

FY27 General Fund Investment

Personnel Budget (General Fund)



\$406,601
NET INCREASE

FY 26 Adopted: \$2,681,115
FY 27 Proposed: \$3,087,716

FTE	FY 2026	FY 2027
Total FTE	17	19.5
Current Vacancy*	3	-

Data reflects information presented to Council on March 2

Total FY27
Headcount:
19.5
Funded FTEs

KEY PERSONNEL DATA

Justification: Transferring a Programs Administrator who manages the City's real estate from DGS and a Management Analyst Associate position from OCWB.

NOTE: One FTE is on loan to HCD, and one FTE is the DCAO's EA

Operating Budget



\$156,053
NET INCREASE

FY 26 Adopted: \$1,952,219
FY 27 Proposed: \$2,108,272

Key Drivers

- Adding \$250,000 to the Façade Improvement Grant Program

KEY OPERATIONAL DATA

None

NOTE: Total net increase in funding \$562,654

OFFICE OF SUSTAINABILITY

FY27 General Fund Investment

Personnel Budget (General Fund)

 **\$21,713**
NET DECREASE

FY 26 Adopted: \$1,178,506
FY 27 Proposed: \$1,156,793

FTE	FY 2026	FY 2027
Total FTE	8	8
Current Vacancy*	0	-

Data reflects information presented to Council on March 2

Total FY27
Headcount:
8
Funded FTEs

Operating Budget

 **\$32,160**
NET INCREASE

FY 26 Adopted: \$460,000
FY 27 Proposed: \$492,160

Key Drivers

- The increase is to cover the costs of our VEPGA (Virginia Energy Purchasing Government Agency) contract. This contract affords the City roughly \$250,000 in annual savings.

KEY PERSONNEL DATA

Justification: No change to GF staffing but as it relates to other fund staffing, As part of the USDA "Cool the City" Grant, the OOS supports one additional FTE as well as 3.6 FTEs (listed in the FY27 Budget Book) located in DPW and PRCF. The OOS Personnel Budget is adjusted to only reflect standard annual fluctuations regarding benefits

KEY OPERATIONAL DATA

VEPGA Contract Support

NOTE: Total net increase in funding is \$10,447.

OFFICE OF COMMUNITY WEALTH BUILDING

FY27 General Fund Investment

Personnel Budget (General Fund)



\$106,527
NET INCREASE

FY 26 Adopted: \$3,567,448
FY 27 Proposed: \$3,673,975

FTE	FY 2026	FY 2027
Total FTE	31	32
Current Vacancy*	5	-

Data reflects information presented to Council on March 2

Total FY27
Headcount:
32
Funded FTEs

KEY PERSONNEL DATA

NOTE: No change to GF staffing but as it relates to other fund staffing, the total FTEs for the office is 34, with 2 FTEs funded from non-General Fund sources to support summer youth programming.

Operating Budget



\$4,320
NET INCREASE

FY 26 Adopted: \$1,193,621
FY 27 Proposed: \$1,197,941

Key Drivers

- Staff Parking

KEY OPERATIONAL DATA

None

NOTE: Total net increase in funding is \$110,847

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FY27 WHAT YOU CAN EXPECT



- PDR will complete installation of the **new permitting and inspection software**, Trimble Unity (formerly known as CitiWorks) and improve its ability to generate reports, track reviews and provide greater online access to users.
- OOS will initiate an enterprise **Solar Power Purchase Agreement**, an enterprise **Energy Savings Performance Contract**, and will designate our city as a "**Charging Smart Designation**" fast-tracking the electric vehicle transition.
- HCD will stand up a publicly accessible, inter-active **affordable housing development GIS map** that will show every city-funded affordable housing project and will provide information on location, owner, number of units, and project status.
- OCWB staff is realigning its program work with improved comprehensive workforce assessments and **a wealth building policy review** with over 150 policies and 75 interviews, which will yield 3-5 policy review recommendations.



FY27 WHAT YOU CAN EXPECT



- HCD will expand its **Healthy Homes Program** to incorporate residential solar energy options and deepen its partnership with Dominion Energy Virginia. This enhancement will support the delivery of energy-cost-saving upgrades for owner-occupied homes, improving long-term affordability, environmental sustainability, and overall housing quality for Richmond residents.
- DED and PDR staffs will issue a Request For Interest (RFI) for the **redevelopment of the recently acquired 96-acre Altria Site**
- PDR will **complete the new Zoning Code** that will preserve our residential neighborhoods and drive housing development to our underutilized commercial corridors and activity nodes.
- Sustainability staff will launch a Public Utility and Services Commission "**Solid Waste Subcommittee**" to address recycling and composting access in our neighborhoods. Staff will also study **smart lighting** and environmental sensors in community parks, expand residential and small business **Energy Efficiency Program** in areas of highest energy burden, and support VCU's development of their new **B.S. in Sustainability**



FY27 WHAT YOU CAN EXPECT



Families



- DED, HCD, PDR, OCWB and Sustainability are working together to ensure our families have greater access to and benefit from the new jobs and businesses coming into the city through a new cross-departmental initiative called JEMS (**Joint Economic Mobility Squad**). The team is working on a charter and has divided up into four working groups to:
 1. Reduce barriers to economic mobility
 2. Align services to better serve residents facing housing instability and needing affordable housing
 3. Create linkages to connect residents to jobs created from economic initiatives
 4. Implement the Jackson Ward Community Plan and the transformation of Gilpin Court
- OCWB staff will coordinate its partnerships with **Virginia CareerWorks and Community College Workforce Alliance** to share data and referrals, align planning, and create stronger partnerships.
- Sustainability staff will conduct **energy education and outreach in public housing**, build partnerships to help educate the youth about RVAgreen 2050, and develop an **electric vehicle charging policy** for public use at city-owned properties.



FY27 WHAT YOU CAN EXPECT



- PDR and DED staffs are working with the Diamond District developer, DDP to start construction on **a new hotel, retail space, office building and two new residential buildings** in the Diamond District.
- DED staff will sign development agreements for **a new Convention Center hotel complex** with GRCCA and **a new downtown transit hub** with mixed-used development above with GRTC.
- DED staff will also implement **new Enterprise Zone boundary amendments** and updated incentive structures to better target investment and strengthen economic development outcomes, launch **a new business attraction and expansion strategy**, amend the **Commercial Tax Abatement program** to expand its use to support adaptive reuse, redevelopment, building conversions, and will create a **"signature economic development events" strategy** to bring developers, investors, entrepreneurs, and policy leaders together to highlight Richmond's growth opportunities and strengthen the city's business ecosystem.
- OCWB's annual FY27 **job placement goal is 150 individuals**.
- HCD will continue to issue RFPs to **develop affordable housing using city-owned surplus properties** and will develop a new funding program to incentivize market rate developers to include **affordable housing units in market rate rental housing projects** in council districts where only market rate housing is being developed.

FY27 WHAT YOU CAN EXPECT



- Sustainability will program for **solid waste reduction efforts** in coordination with DPW, as the Plastic Bag Tax funding will support further education, clean up and bag giveaway efforts.
- Staff is supporting the "**East End Solar Farm**" installation through community engagement as well as assisting the selected vendor in the site exploration (2 year) process.
- Continued implementation of the **City's Sustainable Design Standards** in CIP.
- Conduct an '**Energy Treasure Hunt**' at the **Wastewater Treatment Plant** to inform energy savings opportunities and provide staff training on utility conservation.
- Continue the "**Energy on the East End**" project focused on a myriad of efforts that will reduce overall residential energy burden and enhance thermal comfort of residents.



FY27 WHAT YOU CAN EXPECT



Storytelling

- PDR will assist the Department of General Services (DGS) with the start of construction of **Lumpkin's Pavillion**, the most historical element of the Shockoe Project.
- HCD staff will partner with Capital One to deploy a **modern data management system** that strengthens compliance oversight of developers receiving grants, loans, or tax incentives.
- Sustainability will create a "**Championing the RVAgreen 5x4 Campaign**" to encourage residents to take five small actions that help make our city more sustainable, resilient, and equitable and will monitoring climate progress with TRAC-E (Tracking Realtime Action on Climate Equity).
- Strengthen **OCWB's partnership with Virginia Union University** to higher education.

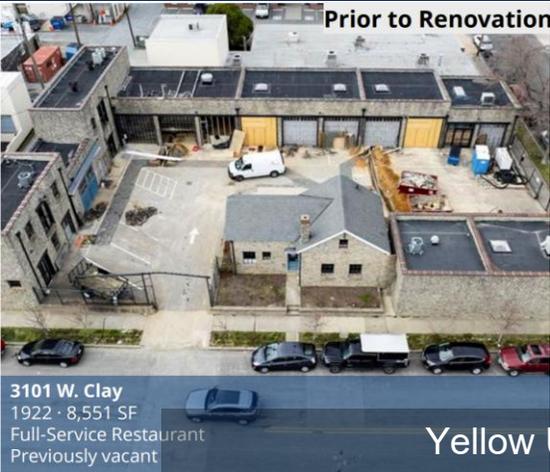


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CONCLUSION



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RISK TO FY27 PERFORMANCE & COST SAVING INITIATIVES

Top Risks to Portfolio Performance

1. National and global economies may change causing shortages in materials and supplies needed for the construction of housing and commercial buildings
2. The federal government may decide to reduce HUD entitlement funding, which currently supports half of HCD's staffing and provides millions of dollars for affordable housing and homeless support

Cost Savings Measures

1. The continued increase in building permit fee revenues has allowed PDR to reduce its need to use General Funds to support its personnel and operating expenses as it relates to the administration of building codes
2. The award of several federal grants has allowed the Office of Sustainability to grow without requiring new general fund dollars





PROPOSED

2027 Budget

Roadmap to a Thriving Richmond

