

Affordable Housing Incentives, Programs, & Strategy

City Council City of Richmond, VA
Land Use, Housing, & Transportation Committee

April 27, 2023

Here is an outline for a strategy work session meeting with the Land Use Committee members and the Administration on our affordable and workforce housing strategy, incentives, and programs. There has been a lot of momentum building with this budget and over the last several years, now its how we align these programs, incentives and plans to build inclusive mixed-income developments where they have the most impact on elevating access to opportunity. I would like to coordinate a working session to discuss the following options and outline next steps and needs to get more private developers to build affordable housing.

Multi-family Developments - how to incentive private developers to build affordable housing & where incentives are desired to be used: R300 Priority Growth Nodes, close proximity (three blocks walk) to public transit, green space, job centers, healthy food options, etc.

1. **Density Bonus** - State approved incentive program that allows for more units, up-zoning, for building units at below-market rates, status of legislation? Next steps? How to market make available for developers?
2. **Affordable Dwelling Unit** - State granted incentive option, how best used, defined application, made available to developers?
3. **Performance Grant Agreement (EDA)** - State granted option to incentive affordable housing, how is this best leveraged, used, defined, and made available to developers?
4. **Affordable Housing Trust Fund** - how are these funds marketed and made available to developers? Where are these best used? What affordability levels?
5. **Housing Bond** - how is this program made available, what gaps is this intended to fill, how are funds going to be available, for what types of projects?
6. **Revitalization Zones** - allowed in other jurisdictions but not Richmond, would allow for creating zones that are expert affordable housing to be built, Alexandria Model Arlington Model
7. **Housing Conservancy Model** - at the April LUHT meeting, Kim Driggins will be sharing about the Washington Housing Conservancy's role in preserving existing affordable multi-family buildings, an option we should model for Richmond.

Goal: how can we align and stack these incentives for private developers to be attracted to use these in our priority growth nodes and/or along our key transit corridors? If so, how can we market/position these to be used in new developments? What is the amount needed to subsidize a development to offset market rate prices for creating more affordability for multiple levels of AMI?

Single-Family Housing -

1. **Maggie L Walker Land Trust** - maintaining permanent affordable homeownership opportunities for low- and moderate-income families.
2. **Land Bank** - holding of properties for future use/development.

3. RRHA owned residential parcels

Existing Studies that Support, Prioritize, and Approve these goals:

- Richmond 300 Master Plan
- Strategic Plan for Equitable Economic Development
- Affordable Housing Strategic Plan

Let's find time to meet one afternoon in the 2nd Floor Large Conference room to discuss these programs, options, and incentives available to support affordable housing. The more we can align and stack these together in areas that provide equitable access to schools, grocery stores, parks, jobs, healthcare, etc, the better our investment in affordable housing will be. Below are a few afternoons that are open for this meeting.

- Wednesday May 10th
- Thursday May 18th
- Friday May 19th

Let's continue developing our affordable and workforce housing incentives to build on our historic investment in affordable housing.