

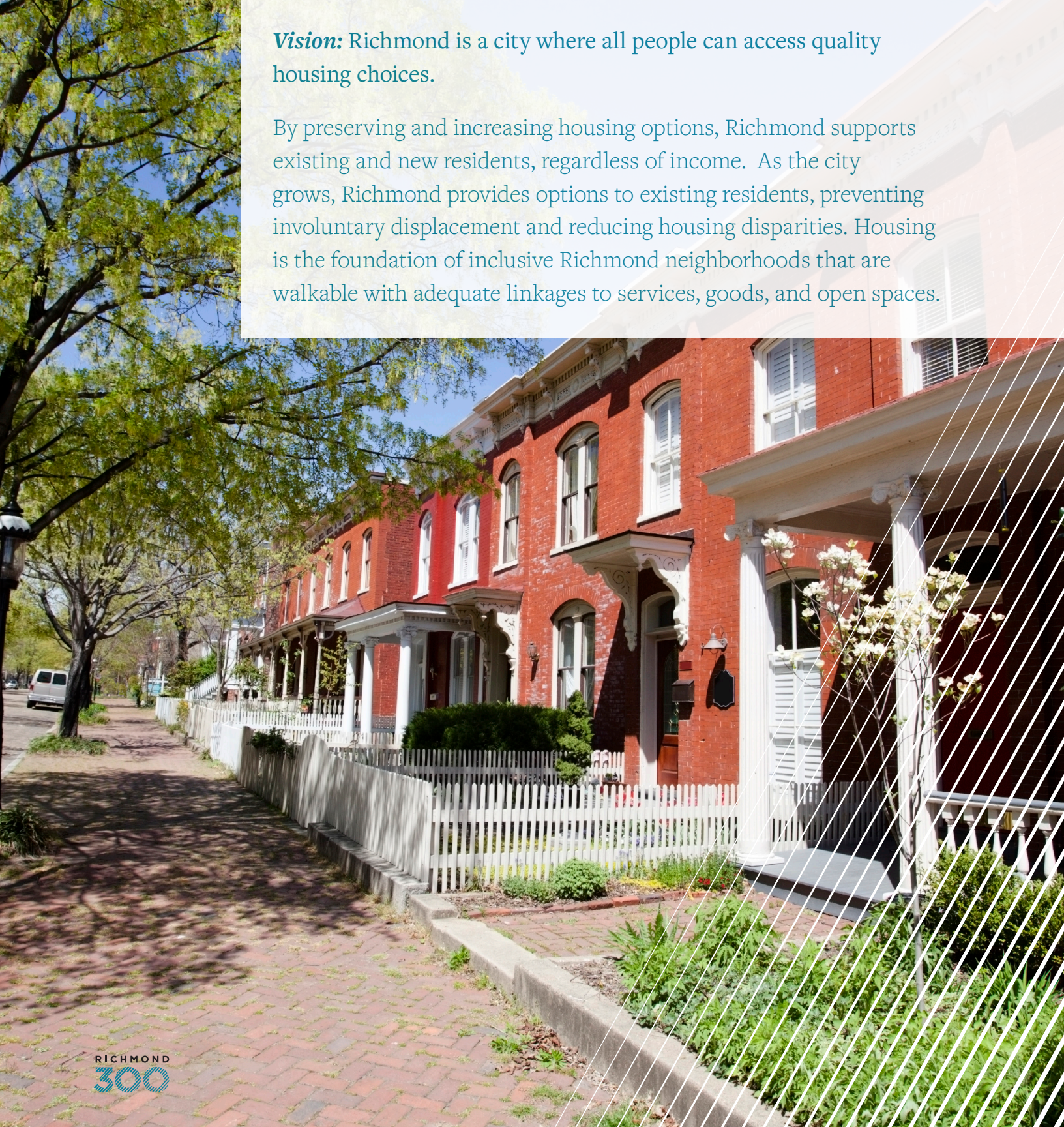


## CHAPTER 5

# Inclusive Housing

**Vision:** Richmond is a city where all people can access quality housing choices.

By preserving and increasing housing options, Richmond supports existing and new residents, regardless of income. As the city grows, Richmond provides options to existing residents, preventing involuntary displacement and reducing housing disparities. Housing is the foundation of inclusive Richmond neighborhoods that are walkable with adequate linkages to services, goods, and open spaces.





# Goals, Objectives, and Strategies

## Goal 14: Housing



Preserve, expand, and create mixed income communities, by preserving existing housing units and developing new ones—both renter- and owner-occupied—throughout the city.

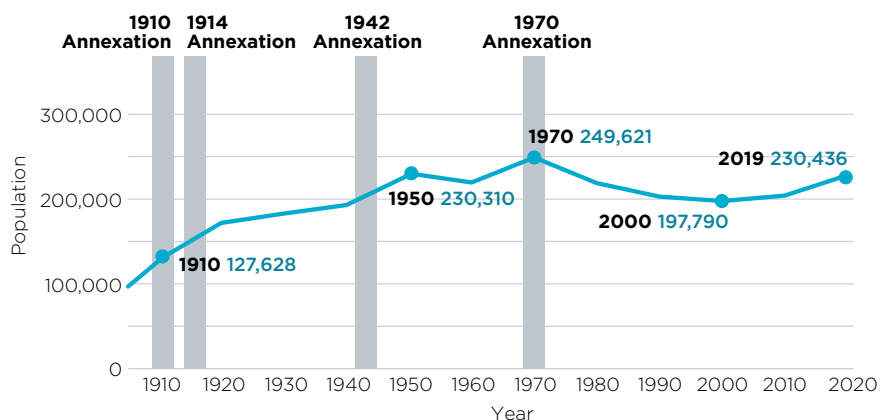
**\$72,000**

Households earning as high as \$72,000 cannot afford to live in most of the Richmond region.

### Existing Context

**Richmond has not experienced this kind of residential growth since the late 1800s.**

As shown in Figure 35, between 2000 and 2019, Richmond added 32,646 residents and its population grew by 17%. That 19-year growth rate is the highest absolute and highest growth rate in population since 1930 to 1950, when the city grew by over 47,381 residents or 26% and also annexed nearly 17 square miles, which accounted for 41% of the total land area in 1942. Richmond has not experienced this kind of population growth — a significant growth in residents over a 20-year period without also annexing land — since the late 1800s. Despite this significant growth in population since 2000, in 2019 many of Richmond's neighborhoods still had less population than in the 1970s and continued to have vacant houses and parcels.



**FIGURE 35 // Historic Population**

Source: U.S. Census Bureau: 1910, 1950, 1970, 2000 Censuses, 2019 Population Est.

TABLE 5 // Housing Sale Prices

	2009			2018			Percent Change '09-'18
	Avg. price	vs. Region		Avg. Price	vs. Region		
Richmond	\$ 159,000	\$ (51,000)	-24%	\$ 248,000	\$ (13,290)	-5%	56%
Henrico	\$ 211,250	\$ 1,250	1%	\$ 255,000	\$ (6,290)	-2%	21%
Chesterfield	\$ 215,000	\$ 5,000	2%	\$ 260,000	\$ (1,290)	0%	21%
Hanover	\$ 246,975	\$ 36,975	18%	\$ 302,125	\$ 40,835	16%	22%
Ashland	\$ 202,000	\$ (8,000)	-4%	\$ 251,250	\$ (10,040)	-4%	24%
Region	\$ 210,000			\$ 261,290			24%

Source: Richmond MLS

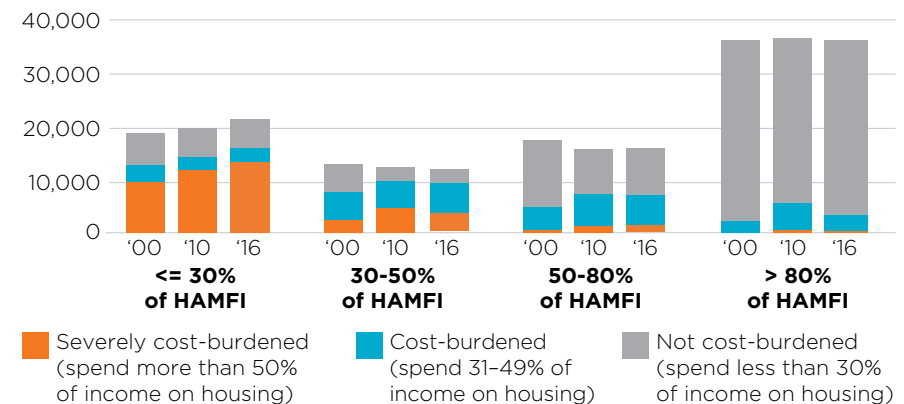
### Richmond's housing prices are catching up with the region.

The increase in population since 2000 has generally been middle- and high-income earning households who are reinvesting in neighborhoods and bringing average housing prices into parity with the region. Average housing prices increased by 56% from 2009 to 2018, putting Richmond at the fastest price increase in the region. However, in 2009 Richmond's average housing price was 24% below the regional average, whereas in 2018 the average housing price was 5% below the regional average, as shown in Table 5.

### Housing costs in Richmond have outpaced income growth for low- and very low-income households.

From 2000 to 2016, the proportion of housing-cost-burdened households (spending more than 30% of income on housing) increased from 33 to 42%, as shown in Figure 36. In 2016, two-thirds of households earning less than 80 percent of the HUD area median family income (HAMFI) were housing cost-burdened; whereas, in 2000 half of households earning less than 80% of HAMFI were housing cost burdened. Given these

#### Number of Families



HAMFI = HUD Area Median Family Income

**FIGURE 36 // Housing Cost Burden by Household Income, 2000-2016**  
Housing cost burden has increased across all income levels between 2000 and 2016 and decreased slightly in some income levels between 2010 to 2016.

Source: Comprehensive Housing Affordability Strategy (CHAS): 2000, 2010, and 2010-2016

data, there is a substantial need for more housing for low income and very low-income households in Richmond and the Richmond region. The Partnership for Housing Affordability, a regional non-profit, authored a Richmond Regional Housing Framework Plan to develop strategies for all Richmond localities to create more affordable housing throughout the region.

**Housing prices limit mobility and concentrate poverty.**

According to the 2017 Market Value Analysis (MVA) by the Reinvestment Fund shown in Figure 37, households earning as high as \$72,000 (120% of the Area Median Income [AMI]) can only afford to live in the lowest housing markets in the Richmond region; whereas, in comparable regions (such as Akron and Pittsburgh), moderate income households are able to afford housing in the middle housing markets as well as the low housing markets. This means that in Richmond low- and moderate-income households must live in concentrated pockets of poverty because affordable housing choices do not exist in middle and strong housing markets.

**The MVA identifies nine housing market types.**

A – High sales prices, higher percentage of recently built houses, primarily owner-occupied, low vacancy rates, low level of bank sales, few publicly-subsidized rental housing options, and the least dense across all categories.

B – Similar to “A” category, but with much higher levels of renter-occupied units (33% of households in the region), with higher vacancy rates than “A” but lower than the regional average. Also the highest density of all market types in the region.

C – More suburban in form than other market types, sales price above the regional average, primarily owner-occupied, few publicly-subsidized rental housing options, more bank sales than “A” and “B” market types.

D – Slightly below regional average in sales price, low rate of owner-occupied housing, low vacancy, and relatively high subsidized rental housing options.

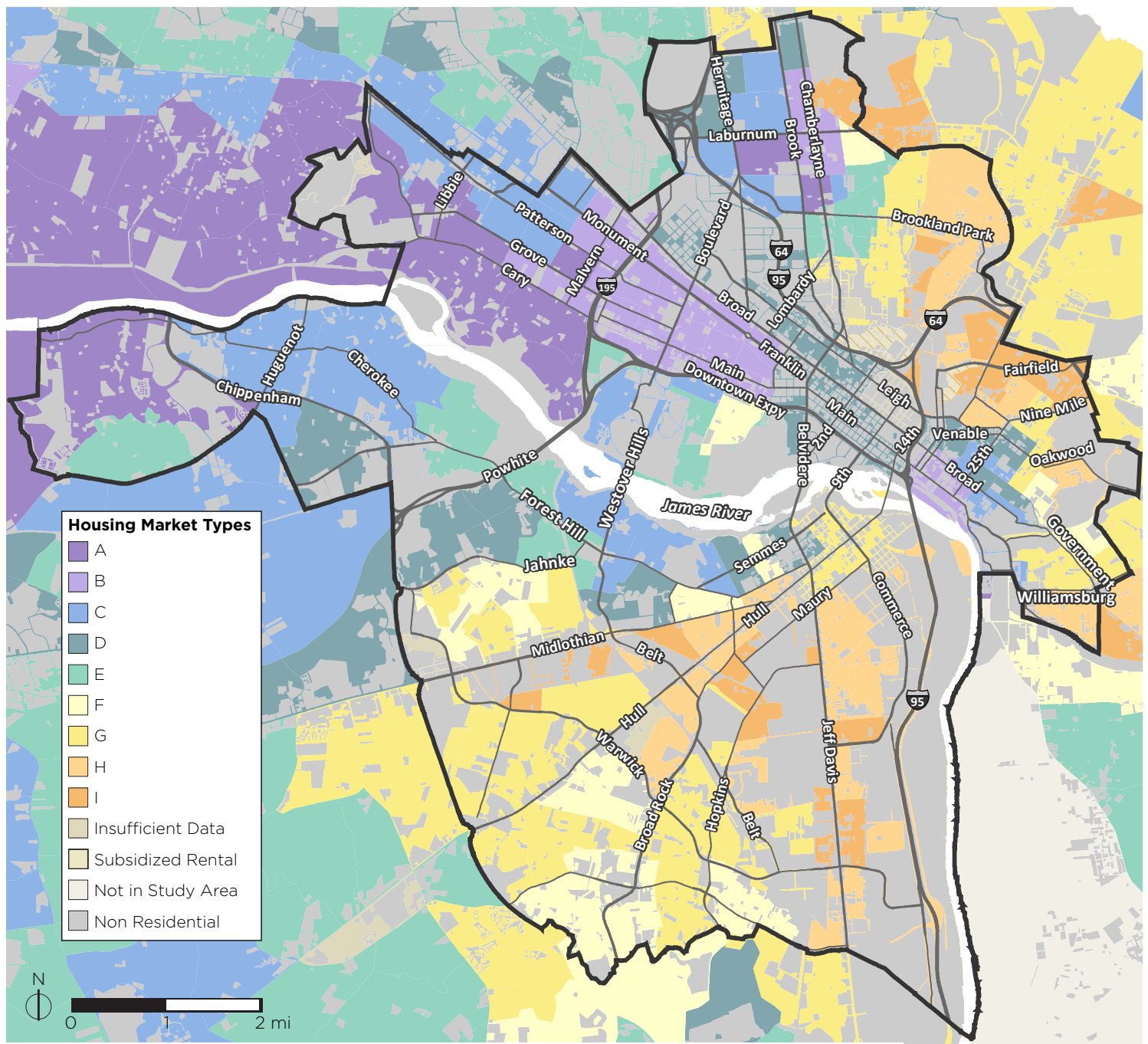
E – Below regional average in sales price, mainly owner-occupied, bank sales equal to the regional average, and low rates of vacancy.

F – About 2/3 of the regional average in sales price, with high percentage of bank sales, even split between owner- and renter-occupied households, high amount of publicly-subsidized rental housing options.

G – About 1/3 of the regional average in sales price, with high percentage of bank sales, slightly more owner-occupied than renter-occupied households, high vacancy rates, low amount of publicly-subsidized rental housing options.

H – Below 1/3 of the regional average in sales price, high percentage of bank sales, low permit activity, majority renter-occupied households, higher amount of publicly-subsidized rental housing options, high vacancy rate.

I – About 1/4 of the regional average in sales price, low permitting activity, majority renter-occupied households, high amount of publicly-subsidized rental housing options, low permitting activity.



	Number of Block Groups	Median Sales Price 2015-2016	Sales Price Variance	Percent Bank Sales	Owner Occupancy	Percent Subsidized Rental	Percent Vacant Residential	Housing Units per Acre	Residential Parcels Built 2008-up	Residential Parcels w/Permits 2015-2016
<b>A</b>	32	\$ 501,292	0.39	2.6%	90.1%	0.4%	0.4%	1.9	5.9%	11.6%
<b>B</b>	23	\$ 425,851	0.47	3.3%	32.9%	10.3%	1.5%	17.2	4.7%	5.0%
<b>C</b>	82	\$ 274,479	0.34	5.5%	83.2%	3.4%	0.6%	3.2	2.7%	7.2%
<b>D</b>	53	\$ 195,175	0.35	9.4%	28.8%	6.9%	1.2%	9.8	3.4%	5.7%
<b>E</b>	103	\$ 182,686	0.32	13.3%	79.8%	2.7%	0.9%	2.8	2.6%	5.5%
<b>F</b>	30	\$ 140,358	0.38	20.5%	48.4%	77.3%	1.8%	4.0	2.5%	4.0%
<b>G</b>	62	\$ 117,611	0.39	29.1%	58.9%	6.5%	3.0%	4.2	2.7%	4.9%
<b>H</b>	31	\$ 63,465	0.61	32.8%	41.0%	12.0%	8.5%	5.6	1.9%	3.7%
<b>I</b>	18	\$ 53,597	0.60	37.3%	30.1%	88.9%	3.2%	7.2	2.0%	2.0%

**FIGURE 37 // Richmond Region Market Value Analysis, 2017**

Source: The Reinvestment Fund, 2017

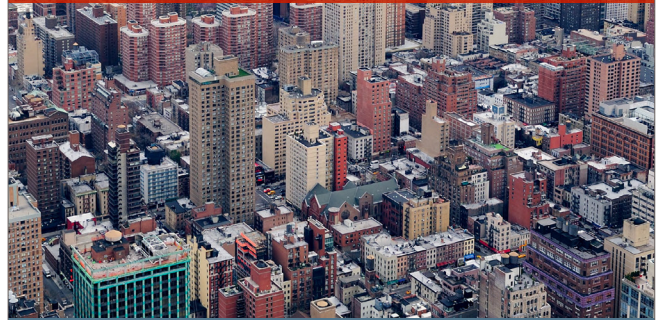
## Objective 14.1

**Increase city-wide awareness of the importance of integrating housing at all income levels** into every residential neighborhood so every household has housing choice throughout the city.

- a. Develop and fund a housing policy educational program for newly elected officials and City staff involved in planning, housing, and community development activities.
- b. Create a Richmond Housing Collaborative comprising of eight areas of influence, including housing thought leaders from City government, public housing administration and resident leaders, philanthropic and housing finance leaders, non-profit and for-profit housing development leaders, and housing advocacy leaders to discuss, innovate, create, test, and implement solutions to the City's housing needs.
- c. Increase awareness and improve relationships with landlords regarding the Housing Choice Voucher program, particularly in areas within Nodes and a half mile of high-frequency transit stops, and highlight the new State Law (HB6 Virginia Fair Housing Law), which prevents landlords from discriminating against renters with Housing Choice Vouchers.
- d. Create a center for homeownership that is a clearinghouse for information on City programs, grants, loans, and education, partnering with state agencies such as Virginia Housing Development Authority (VHDA) and the Virginia Department of Housing and Community Development to increase homeownership, particularly among Black and Latino households.
- e. Create an update to the MVA, use the updated analysis to compare changes in housing markets since the 2017 MVA, communicate how changes have impacted housing access, evaluate the effect of policies and programs on local housing markets and sub-markets, and develop new programs as markets change.

## "You Don't Have to Live Here"

Why Housing Messages Are Backfiring and 10 Things We Can Do About It



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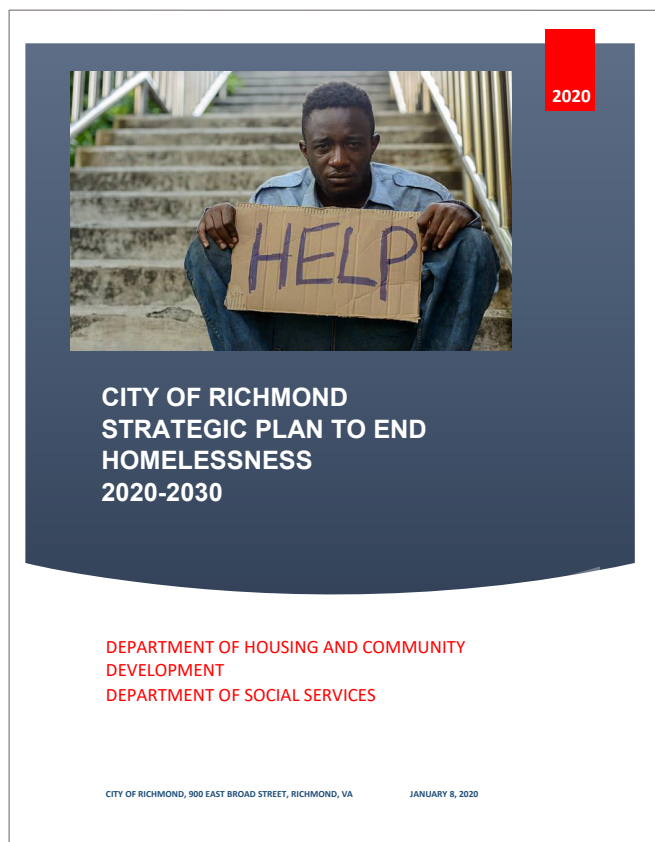
Campaigns like the one pictured here from Enterprise help unpack the language and communications messaging that has been used in the past and works to change the narrative about housing.



## Objective 14.2

**Ensure that homelessness is rare, brief, and one-time.**

- a. Create a minimum of 300 units of permanent supportive housing to house persons with special needs by 2024 in partnership with Virginia Supportive Housing and other local housing organizations.
- b. Create a minimum of 250 new emergency shelter units to provide additional housing for persons experiencing homelessness by 2021.
- c. Ensure that individuals and families facing eviction due to late- and/or non- payment of rent receive free legal assistance, one-time rental assistance, and personal finance education to prevent eviction.
- d. Amend the Zoning Ordinance to allow by right emergency shelter units and permanent supportive housing units in zoning districts where currently permitted by conditional use permits only.
- e. Create siting criteria and program requirements for City-wide emergency housing facilities to include a maximum number of units permitted, the maximum travel distance permitted to public transit, on-site management, food services, social services, housing services, and facility security for both the residents and community.
- f. Expand partnerships serving the homeless to provide small year-round emergency housing facilities for all homeless populations that include supportive services and food.
- g. Amend zoning definitions related to services and facilities serving people experiencing homelessness (including group homes, lodging houses, and multi-family/permanent supportive housing) to support best and emerging practices as designated by the U.S. Interagency Council on Homelessness.
- h. Leverage the housing and funding expertise of the Virginia Department of Housing and Community Development to increase permanent affordable housing to Richmonders exiting homelessness.



**In January 2020, the City developed the Strategic Plan to End Homeless, which outlines a multi-sector approach to ensuring homelessness is rare, brief, and one-time.**

- i. Review City properties for suitability for conversion to emergency housing or services to meet the needs of Richmonders experiencing homelessness.
- j. Develop a Memorandum of Understanding or other formal partnership agreement between the Greater Richmond Continuum of Care, the designated “Collaborative Applicant” (Homeward), and appropriate City stakeholders and our neighboring counties and cities to address the regional presence of persons experiencing homelessness.

### Objective 14.3

**Create 10,000 new affordable housing units** for low- and very low-income households over the next 10 years.

- a. Commit to providing a dedicated revenue source to annually fund the Affordable Housing Trust Fund and prioritize funding projects that provide housing to very low-income individuals and families, including supportive housing, within a half mile of high-frequency transit stops.
- b. Amend the rehabilitation tax abatement program to provide incentives for for-profit developers to create mixed-income residential housing where at least 20% of the units are affordable to households earning less than 50% of the AMI.
- c. Lobby the General Assembly to give Richmond powers under 15.2-2304, which allows localities to adopt mandatory inclusionary zoning programs.
- d. Support new construction technologies that standardize housing design and construction to reduce the cost of building affordable housing.

### Objective 14.4

Increase the number of **mixed-income communities along enhanced transit corridors**.

- a. Prioritize the development review process for applications for mixed-income housing that includes 20% or more of the units at 50% AMI.
- b. Incorporate mixed-income housing as an element of the small area plans identified in Goal 1 (see Goal 1).
- c. Coordinate with GRTC to develop new station locations and routes where development is occurring to ensure mixed-income communities have access to transit to reach jobs, goods, and services (see Goal 8).
- d. Create affordable housing tax-increment finance (TIF) zones for land within a half mile of Pulse stations and direct the future incremental tax revenues funds from the TIF to the Affordable Housing Trust Fund for funding mixed-income projects within the Pulse TIF zone; establish similar TIF zones along future enhanced transit corridors.

- e. Lobby the VHDA to update the Qualified Allocation Plan (QAP) to encourage more Low-Income Housing Tax Credit (LIHTC) projects near transit in urban areas and in non-low-income areas, and require open space for children, and to review the regional distribution of LIHTC projects.
- f. Create a database to monitor LIHTC projects to track expiring affordable housing and determine ways to preserve the affordability (possibly including programs to allow tenants to purchase units and programs allowing the City to purchase expiring projects), focusing on LIHTC projects within a half mile of high-frequency transit stops.

### Objective 14.5

**Encourage more housing types throughout the city** and greater density along enhanced transit corridors and at Nodes (shown in Figure 38) by amending the Zoning Ordinance.

- a. Rezone corridors and Nodes consistent with the Future Land Use Plan (see Goal 1).
- b. As part of the Zoning Ordinance update, revise the Affordable Dwelling Unit density bonus process to make it easier to accomplish.
- c. Update Zoning Ordinance to allow for accessory dwelling units by-right with form-based requirements in all residential zones.
- d. Adapt obsolete City-owned buildings into affordable and market rate housing (see Goal 2).
- e. Allow the development of middle housing (2- to 4-unit buildings) by-right within a half mile of high-frequency transit stops.
- f. Explore expanding the Maggie Walker Community Land Trust scope to create small multi-family buildings (2- to 4-units) where one unit is owned by a low-income household and the other unit(s) are rented to low-income households with Housing Choice Vouchers.





## Objective 14.6

**Transform Richmond Redevelopment and Housing Authority (RRHA) public housing properties** into well-designed, walkable, mixed-use, mixed-income, transit-adjacent communities.

- a. Identify revenue streams dedicated to the transformation of public housing into mixed-income residential neighborhoods.
- b. Develop small area plans with inclusive community input (including existing RRHA residents) to plan for the redevelopment of mixed-income neighborhoods on public housing sites for 1) Gilpin Court, 2) Mosby South, 3) Creighton Court, 4) Mosby North, 5) Fairfield Court, 6) Whitcomb Court, and 7) Hillside Court.
- c. Ensure that all RRHA residents have quality housing and choice by working with public housing residents to consider forming homeowner associations or cooperative housing corporations by rehabilitating and then purchasing their current housing for a nominal cost.
- d. Partner with the RRHA to assist over-income public housing residents transition to market rate housing by providing wrap-around supportive services to increase confidence and financial security.
- e. Partner with the RRHA and develop an agreement that integrates the City's and the RRHA's housing objectives into a comprehensive strategy to end poverty and to assist public housing residents build wealth.



The Armstrong High School site was redeveloped into a mixed-income community by RRHA, including housing for very-low and low-income households.



## Objective 14.7

**Re-imagine the future of manufactured home parks.**

- a. Develop an action plan to revitalize the physical condition of the manufactured home parks into desirable tiny home communities.
- b. Promote non-profit investment and cooperative ownership in existing manufactured home parks.

## Objective 14.8

**Develop inclusionary and equitable housing options for our gentrifying neighborhoods to prevent involuntary displacement.**

- a. Create a tax fund to help qualifying low-income residents remain in their homes as their assessments increase by involving the philanthropic community.
- b. Fund home repair and energy efficiency programs to assist individuals with deferred maintenance (see Objective 14.9).
- c. Create and fund new programs and coordinate existing programs that will reduce evictions, such as emergency rental assistance and tenant and landlord education and training.
- d. Create and then fund an emergency rental and utility assistance program.
- e. Support marketing efforts that encourage landlords to accept housing vouchers.
- f. Reduce the impediments to fair housing choice by implementing the first-tier priorities outlined in the Analysis of Impediments to Fair Housing Choice report (2017-2020), many of which directly align with the recommendations outlined in this Goal of *Richmond 300*.
  - Increase access to accessible housing
  - Decrease racial/ethnic disparities in access to opportunity
  - Decrease disproportionate housing needs among minority and low-income households
  - Expand fair housing capacity
  - Deconcentrate publicly-supported housing
  - Reduce concentrated areas of racial/ethnic poverty
  - Decrease residential segregation

## Objective 14.9

**Assist households that desire to age in place in their neighborhoods.**

- a. Track and report annually the funding that the City allocates to existing moderate- and low-income homeowners, and elderly homeowners to fix their homes.
- b. Increase education/promotion of existing programs and expand programs to aid homeowners in implementing energy efficiency and stormwater upgrades, including establishing a Residential PACE (Property Assessed Clean Energy) Program (see Goal 15).
- c. Continue to allocate Housing Opportunities Made Equal (HOME) Investment Partnerships Program and Community Development Block Grant (CDBG) funds to non-profit affordable housing developers to create or preserve homeownership opportunities, especially in neighborhoods experiencing gentrification.
- d. Analyze City-owned parcels that are located in neighborhoods that are conducive for low-income homeownership opportunities and transfer to the Maggie Walker Community Land Trust.
- e. Coordinate and promote existing Green and Healthy Homes programs to address and promote the basic healthy homes principles of dry, clean, ventilated, free from pests and contaminants, well-maintained, and safe.
- f. Partner with non-profits and philanthropic institutions to develop a grant program to assist low- and very low-income homeowners renovate their homes and to address building and property maintenance code violations.
- g. Encourage and facilitate property tax relief for very-low and low-income seniors to allow them to stay in their neighborhoods.
- h. Amend the Zoning Ordinance to allow accessory dwelling units in all residential zones to allow for in-law apartments.
- i. Educate seniors about reverse mortgages to prevent seniors from agreeing to predatory agreements.
- j. Encourage the creation of 55+ senior communities within a half mile of high-frequency transit stops.