

FACT SHEET



HB 594 - Expediting Affordable Housing

Patron: Del. Shelly Simonds

Problem: Virginia's affordable housing crisis is worsening every year. The Joint Legislative Audit and Review Commission (JLARC) reported in 2021 that approximately 905,000 households, nearly 29% of all households, were burdened by housing cost. Since then, the situation has grown more severe. The Virginia Housing Commission estimates the current statewide shortage at 187,000 units, and the Department of Housing and Community Development estimates that 300,000 units are needed to alleviate cost burden among renters.

JLARC identified zoning and permitting delays as significant barriers to new housing production. These shortages affect every region of the state, driving up costs for both renters and prospective homeowners and making it harder for families, seniors, and essential workers to find a safe, stable, and affordable place to live.

Background: In Virginia code, affordable housing is based on an area's median income. This means that housing classified as "affordable" families making up to the local average (100% AMI).

There is a history of zoning being used to amplify discrimination in housing. Zoning played an important role in keeping people segregated by race and continues to segregate people by income. Even today, many neighborhoods that are zoned for single-family residential use are places that historically had race-restricted deeds. This bill allows an administrative process to cut through the discriminatory attitude and meet community needs.

Policy Solution: Expediting affordable housing is a bill that would allow localities to adopt ordinances speeding up the approval process for increased

density to build affordable housing. Under these ordinances, localities could approve projects through a streamlined administrative process, cutting red tape and decreasing uncertainty.

These ordinances would focus on projects creating affordable housing, since so many families are paying too much for a place to live. In addition, the increased density is concentrated in areas the locality has already identified as being able to support additional units.

Beyond those limitations, this bill allows localities to craft the ordinance that makes sense in their context. Rural southern Virginia is facing different challenges than localities on the DC border, but all these places recognize the need for affordable housing development. The legislation allows cities, towns, and counties to incorporate zoning flexibility into these ordinances, and ensures accountability by reporting on how many units are approved and built under qualifying ordinances.

Localities adopting and successfully implementing these expedited ordinances would receive priority consideration for state infrastructure grants and loans, creating both incentives and capacity for faster, more efficient affordable housing development across the Commonwealth.

Conclusion: By giving localities the tools to speed up approvals for multi-family affordable housing projects, Virginia can help close its housing gap more efficiently. This approach removes unnecessary delays while ensuring developments are well-located, connected to services, and meet high standards for accessibility and inclusion.

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