

FACT SHEET

SB 367/388; HB 1279 Yes in God's Backyard (Faith and Housing)

SB 367 & SB 388 / HB 1279

Patrons: Sens. Jennifer Carroll Foy & Jeremy McPike
Del. Josh Cole

Problem: There is a shortage of affordable homes in Virginia, both for rental and purchase. The Joint Legislative Audit and Review Commission (JLARC) released a report on affordable housing in 2021. The JLARC report highlights that over 900,000 households in Virginia are cost burdened by housing, and that the commonwealth has a shortage of over 200,000 homes. While needs are numerically concentrated in urban areas, the high cost of housing affects families in every part of Virginia.

At the same time, many faith communities understand that caring for neighbors is a part of their mission. Congregations own land in localities all over Virginia and are interested in supporting community members, and some are interested in developing affordable housing on their land. However, the process is made unnecessarily difficult because of the uncertainty and high cost of rezoning.

Background: There are already more than a dozen congregations in Virginia that have developed affordable housing on their property. **The process usually takes between 7 and 20 years**, and a significant part of that time is spent applying for Special Use Permits or zoning changes, along with convincing nearby residents that the development is good for the community. These projects range from a rural congregation building 12 small homes for halfway houses, to a large faith community in an urban area building more than 200 apartments. Communities have already seen the benefits of affordable housing built on faith land. Allowing other

congregations to live their mission would benefit all Virginians.

Policy Solution: This bill would streamline the permitting process for property tax-exempt nonprofits (most of which are faith communities) to build affordable multi-family housing on their land. In response to an exclusionary attitude of “not in my backyard” (NIMBY), this policy can be thought of as a “Yes in God’s backyard” (YIGBY) approach.

Clergy and faith leaders hear about the need for affordable housing from their members and community, and many want to offer housing. Developing affordable housing allows congregations to provide resources to community members who are struggling, while putting faith into action.

Key provisions

- **Affordable Housing Requirements:**
 - Property must be owned by congregation or non-profit 5 years prior to application
 - At least 60% of homes must be affordable to residents making the area median income
 - Must remain affordable for at least 50 years
- **Design & Occupancy Provisions:**
 - Must comply with Virginia Fair Housing Act
 - Subject to local real estate tax
 - Height restricted to 3 stories or the height of the tallest building within 500 feet
 - Ground floor may contain other uses (including child day care and worship space)
- **Delayed Effective Date:** September 1, 2026



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