Housing Commission 2024 Potential Legislative Priorities

- 1. Grant authority to Virginia localities to enforce tenant rights and protections under the Virginia Residential Landlord and Tenant Act (VRLTA), especially concerning health and safety conditions.
 - The County Board has included this item in its legislative priorities since 2021 and the Commission believes it should continue to be a priority for the county. Although Delegate Price (HB802 and HB597) patroned legislation aligned with this legislative priority in 2022, 2023, and 2024, the bills were vetoed after being passed by the Virginia House and Senate.
- 2. Modify the Virginia State Code to enable Arlington County to amend Section 15.5.8 of the Zoning Ordinance (Affordable Housing Ordinance) to increase contributions from developers for affordable housing either through cash contributions or more affordable units.
 - In the county's 2023 Affordable Housing Ordinance Review staff wrote, "The County has completed its review of the Affordable Housing Ordinance (AHO) based on specific concerns raised and has confirmed that an imbalance among the provisions within the Ordinance greatly undervalue the cash contribution option by a significant order of magnitude." This imbalance suggests that the AHO contribution amount has not kept pace with construction cost increases and stated that the "AHO cash contribution required from developers in lieu of providing affordable units on-site is about one-third to one-half the value of estimated revenue from market rate units." Housing advocates have also suggested that Arlington's developer contribution requirements are less than our neighboring jurisdictions such as Fairfax County and the City of Alexandria which may result in fewer community benefits for projects in Arlington compared to our neighbors.
- 3. Establish a minimum 60-day notice requirement for landlords (subject to the VRLTA) to not renew a lease agreement.
 - The VRLTA currently includes a requirement that landlords provide no less than 60 days' notice of intent to terminate the tenancy prior to the end of the rental agreement term for landlords using Virginia's default lease agreement. However, for landlords who choose to create their own leases, it is up to the landlord to specify how much notice will be provided to a tenant if the landlord decides not to renew the lease agreement. The Housing Commission recommends that Virginia require all leases to provide a minimum of 60 days' notice of intent to not renew a lease agreement (excepting periodic tenancies) to ensure that renters have sufficient time to find a new home.
- 4. Increase funding for the Virginia Housing Trust Fund (VHTF) and continue the Housing Opportunity Tax Credit (HOTC) beyond the current sunset date of 2025.

- The VHTF creates and preserves affordable housing and reduces homelessness in the commonwealth similar to Arlington's Affordable Housing Investment Fund (AHIF) through competitive loans and grants. Much more funding is needed to ensure that Virginia increases its supply of affordable housing.
- The HOTC can support Arlington's affordable housing projects if they win the competitive process but it is set to sunset at the end of 2025. For example, the AHC/Goodwill project will be awarded credits for the 2024 cycle, bringing over \$6M in equity to the project. There are multiple projects in the county's pipeline that would be eligible and likely competitive for the HOTC if it is extended beyond 2025.
- 5. Enhance anti-retaliation protections for tenants who form a tenant association, seek to enforce their rights under the Fair Housing Law, VRLTA, and Virginia Uniform Statewide Building Code, or raise grievances to their property manager or landlord.
 - The Housing Commission has heard directly from tenants, especially low-income tenants, that they have hesitated to or not reported violations of their rights as tenants because they fear retaliation. Additionally, the Regional Fair Housing Plan adopted by the County Board in July 2023 notes that that Spanish-speaking residents reported "fear of reprisal as a major issue in reporting housing discrimination or substandard housing conditions." This is a problem affecting tenants across the county across income levels and current law places the burden of proving a landlord's intent to retaliate on the tenant. In 2022, Delegate Lopez patroned HB840 which would presume that a landlord is retaliating against a tenant if they increase their rent or evict them within 6 months after the tenant brings up complaints. The bill failed to advance in the General Assembly. In 2024, Delegate McClure patroned HB817 which adds actions to the list of prohibited retaliatory actions by a landlord against a tenant and specifies actions by a tenant for which a landlord may not retaliate in addition to other changes. The bill was passed by the Virginia House and Senate but vetoed by the Governor.
- 6. Require that multi-family residential owners or operators provide training to staff members on their responsibilities under the VRLTA.
 - The Housing Commission and community advocates continue to receive complaints from Arlington renters whereby their property management staff misled or communicated incorrect information about the tenant and landlord's legal responsibilities. Virginia requires multi-family residential owners and operators to receive fair housing training but not VRLTA training. Tenants deserve to have informed and competent building owners and property management staff who have been trained on the legal rights and responsibilities of tenants and landlords under the VRLTA.
- 7. Fund a pilot Virginia housing voucher program.

• In 2022, the Virginia Department of Housing and Community Development (VHCD) developed a model state-wide housing voucher program (Virginia Housing Stability Fund) as required under Budget Item 114 N. The report outlining the model program can be found here: RD745 (Published 2022) - The Virginia Housing Stability Fund Model Program Guidelines — Submitted Pursuant to Budget Item 114 N. The General Assembly failed to fund the program in subsequent budget cycles. While the scope and cost of the model program is high, Virginia should begin a pilot program for a subset of the eligible population of over 300,000 low-income residents to help address the affordable housing crisis in Arlington and other Virginia localities.

8. Support a Faith in Housing policy that would reduce barriers and speed up the process for congregations to build affordable housing on their land.

- Church/religious property is fast becoming one of the primary locations for new affordable housing projects in Arlington but continues to face sustained opposition from residents who do not want affordable housing in their neighborhoods. The Housing Commission supports a Faith in Housing Bill that accomplishes the following goals:
 - Reduces the cost and time needed for religious congregations to redevelop their property to build affordable housing.
 - Includes a limited public engagement process that maximizes the community's ability to raise community needs and desires with the congregation/applicant while minimizing opportunities to employ delay tactics to draw out the process in hopes that the increased effort and cost will sink the project.
 - The affordable housing developed on the congregation property serves residents at 60% of area median income (AMI) or lower and is affordable for at least 99 years.
- The Housing Commission also recommends that the county advocate that the Virgnia Association of Counties (VACo) and the Virginia Municipal League (VML) not oppose the policy.

9. Create an On-Bill Financing/On-Bill Repayment Program to incentivize multifamily residential energy efficiency upgrades.

• The General Assembly should establish on-bill financing (utility-funded) and/or on-bill repayment (third-party funded) programs for energy efficiency upgrades to residential and commercial properties. These programs are offered by 110 energy utilities across the nation. They help address energy equity by providing low interest rates, long pay-back periods, performance-based improvements, and prequalified contractors. For tenants, these programs would increase the quality of housing by incentivizing landlords to make upgrades to insulation, appliances, etc. Tenants also would save money on energy bills in the long run.

10. Require landlords to include legal aid office contact information with notice of tenancy terminations.

• § 55.1-1202. Notice, section D of the Virginia State Code requires that legal aid contact information is provided by landlords to tenants on termination of tenancy notices for public housing and Housing Choice Voucher leases. Extending this requirement to all termination of tenancy notices will ensure that more tenants know who they can contact to enforce their rights if their tenancy is terminated.

