



•••• Stable homes build strong communities. ••••

A Key to Addressing Housing Inequities

The decision-making process that determines what goes where (and how) in your community is called land use. Local governments in Virginia have legal authority to regulate land use through zoning ordinances and other similar tools, which are guided by long-range comprehensive plans created with citizen input.

What is Land Use?

Land use influences every new home built—or not built—in Virginia.

Along with commercial and industrial development, land use regulations greatly influence the location and type of new housing in neighborhoods across Virginia. Do you want to build an accessory apartment in your backyard, split a lot to build two homes, or convert an old warehouse into lofts? Check your zoning ordinances.

Unfortunately, zoning was originally used in the early 20th century as a way for localities to economically and racially segregate communities by codifying lower-density, single-family housing in certain areas.¹ Inherently more expensive, these homes were the foundation for exclusionary communities.

We still face the consequences of those decisions today. Many of Virginia's affordable homes are concentrated in low-opportunity areas with limited amenities. And restrictive zoning stifles creative development: **In 2017, less than 2% of all the new homes in Virginia were duplexes, triplexes, or quads.**²

¹ Rothstein, Richard. 2016. *The Color of Law*.

² Building permit data from the Weldon Cooper Center at the University of Virginia.

How Does it Work?

We can use land use tools to help create more affordable homes.

Localities can use their land use powers to increase housing affordability by removing exclusionary barriers from the past, and by implementing new programs that proactively create new affordable homes.

Inclusionary zoning refers to any local ordinance that requires or incentivizes developers to set aside a share of units in new residential construction for low- and moderate-income households, in exchange for density bonuses and other cost offsets. **Nearly 500 cities and counties across the nation have active inclusionary housing policies.**³

Virginia has bifurcated enabling legislation for inclusionary zoning. Six specific localities⁴ have the authority to create mandatory inclusionary zoning programs that require affordable units in almost all new by-right development. (Va. Code §15.2-2304) These localities have very few restrictions on the design of these ordinances.

³ Jacobus, Rick. 2015. *Inclusionary Housing: Creating and Maintaining Equitable Communities*. Cambridge, MA: Lincoln Institute of Land Policy.

⁴ These localities are Albemarle County, Alexandria City, Arlington County, Fairfax County, Fairfax City, and Loudoun County.

All other localities are restricted to voluntary ordinances that may require affordable units only when developers seek a rezoning or special use permit. (Va. Code §15.2-2305) Furthermore, localities in this category have much more stringent limitations on set-aside ratios and available incentives.

Virginia has a strong track record of successful inclusionary zoning programs.

Fairfax County created the nation's first inclusionary zoning program in 1971. Since then, it's produced nearly 4,000 new affordable homes throughout many different development types, and for a range of incomes.⁵ Flexibility is built into the program and its incentives to adapt with changing market conditions.

Loudoun County established its mandatory inclusionary zoning ordinance in 1993, which creates more than 150 new affordable homes each year on average.⁶

⁵ Fairfax County Department of Planning and Zoning.

⁶ Loudoun County Affordable Housing Needs & Initiatives, 2018.

Why is this important?

Inclusionary zoning is not a panacea for all of Virginia's affordable housing needs. However, it is a critically useful tool available for localities to promote greater housing opportunities for low income households, especially black Virginians and Virginians of color who have faced generations of discrimination.

When used in conjunction with other affordable housing strategies, like the Low-Income Housing Tax Credit, inclusionary zoning makes housing more affordable and shapes land use policies to become more inclusive and equitable.

What YOU Can Do in the General Assembly

The General Assembly should expand Virginia's existing inclusionary zoning legislation to enable any city or county to adopt innovative, custom-tailored inclusionary zoning ordinances with the option for mandatory set asides. This is possible by making Va. Code §15.2-2304 the all-encompassing enabling legislation for every locality in the commonwealth.

