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HOUSE BILL NO. 2153**AMENDMENT IN THE NATURE OF A SUBSTITUTE**

(Proposed by the Senate Committee on General Laws and Technology
on February 12, 2025)

(Patron Prior to Substitute—Delegate Carr)

A *BILL to amend the Code of Virginia by adding sections numbered 15.2-2223.6, 15.2-2292.3, and 36-139.9:1, relating to housing development by nonprofit organizations; comprehensive plan; Department of Housing and Community Development.*

Be it enacted by the General Assembly of Virginia:

1. That the Code of Virginia is amended by adding sections numbered 15.2-2223.6, 15.2-2292.3, and 36-139.9:1 as follows:

§ 15.2-2223.6. Comprehensive plan; housing development by nonprofit organizations.

Beginning July 1, 2025, a locality shall, during the next scheduled and all subsequent reviews of its comprehensive plan as required in § 15.2-2230, incorporate, based on community input, into its comprehensive plan strategies to support affordable housing development by property tax-exempt nonprofit organizations.

§ 15.2-2292.3. Waiver of certain requirements; nonprofit organizations.

A. For the purposes of this section, "affordable housing" means the same as that term is defined in § 15.2-2201.

B. To stimulate the development, redevelopment, or use of real property owned by entities classified as property tax-exempt nonprofit organizations as described in § 58.1-3609 for affordable housing, any locality may provide by ordinance (i) the alteration or waiver of requirements for zoning permits related to administrative fees, residential density, height, or lot size and (ii) the creation of site plan application incentives, such as expedited approval or modification of fees.

C. If a locality adopts an ordinance pursuant to subsection B, such ordinance shall ensure that any property tax-exempt nonprofit organization seeking to develop, redevelop, or use its real property for affordable housing shall preserve the affordable housing for at least 40 years.

§ 36-139.9:1. Housing development by nonprofit organization.

The Department shall develop a document describing strategies that a locality may consider when implementing an ordinance to stimulate affordable housing on property owned by a property tax-exempt nonprofit organization in accordance with § 15.2-2292.3. The Department shall consult stakeholders, including local governments, nonprofit organizations, and other expert resources as determined by the Department, to develop such strategies. Such document shall be published on the Department's website no later than December 1, 2025, and updated every five years thereafter.