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SENATE BILL NO. 717

Senate Amendments in [] - February 4, 2026

A BILL to amend the Code of Virginia by adding a section numbered 15.2-2288.9, relating to transit-oriented housing overlay districts; report.

Patron Prior to Engrossment—Senator Salim

Referred to Committee on Local Government

Be it enacted by the General Assembly of Virginia:

1. That the Code of Virginia is amended by adding a section numbered 15.2-2288.9 as follows:

§ 15.2-2288.9. Transit-oriented housing overlay districts; report.

A. As used in this section, unless the context requires a different meaning:

"Locality" means any county, city, or town authorized to adopt zoning ordinances under § 15.2-2280 and that contains one or more major transit stops or transit corridors.

"Major transit stop" means a station or stop served by heavy rail, light rail, commuter rail, bus rapid transit, or other high-capacity transit service designated by the Department of Rail and Public Transportation.

"Transit corridor" means a segment of track or dedicated busway providing such transit service.

"Qualifying area" means any parcel located wholly or partly within [~~three miles~~ one mile] of a major transit stop or along a designated transit corridor.

B. Notwithstanding any other provision of law, general or special, any locality shall by ordinance establish one or more transit-oriented housing overlay districts (overlay district) covering qualifying areas within its boundaries. [~~Such ordinance shall be adopted no later than January 1, 2027.~~ Any locality adopting an ordinance pursuant to this section that also has authority to adopt an ordinance providing for the conservation of trees during the land development process pursuant to § 15.2-961.1 shall adopt such ordinance.]

Within such overlay district, the locality shall permit, by right, [~~the construction of up to 10 dwelling units per lot, notwithstanding any ordinance limiting density to single-family detached housing~~ a minimum height of six stories and a minimum average density of 30 units per acre within one-quarter of a mile of a major transit stop and shall allow two units per lot and four units per corner lot between one-quarter of a mile and one mile of such a stop].

C. Applications for housing development under this section that meet the objective standards of the locality's ordinance shall be approved ministerially by the zoning administrator or other designated official [~~within 60 days of the submission of a complete application~~]. No public hearing shall be required for approval of a qualifying housing development under this section.

D. A locality adopting an overlay district under this section may impose objective zoning and design standards related to building height, lot coverage, setbacks, stormwater, fire access, and parking, provided such standards do not preclude at least 10 dwelling units per lot or the construction of units of at least 800 square feet each.

E. This section shall not apply to:

1. Historic districts established under § 15.2-2306;

2. Parcels within Federal Emergency Management Agency-designated floodways, prime agricultural soils, or areas designated as critical environmental areas by the locality;

3. Parcels without adequate public water and sewer service; and

4. Parcels designated by the locality and affirmed by vote of the board of zoning appeals that, if included in the overlay district, would have an unreasonably adverse impact on the locality. The decision of the board of zoning appeals may be appealed to the circuit court in accordance with general law.

F. Localities may require inclusionary housing, relocation assistance, or other anti-displacement measures as a condition of ordinances adopted under this section.

G. Each locality adopting an ordinance under this section shall report annually to the Department of Housing and Community Development the number of lots and units approved pursuant to such ordinance. The Department shall publish a statewide report after three years of collecting such data.

H. This section shall expire on [~~July~~ September] 1, 2030.

[2. That the provisions of this act shall become effective on September 1, 2027.]

ENGROSSED

SB717E