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HOUSE BILL NO. 816

AMENDMENT IN THE NATURE OF A SUBSTITUTE
(Proposed by the Senate Committee on Local Government
on March 2, 2026)

(Patron Prior to Substitute—Delegate Helmer)

A *BILL to amend the Code of Virginia by adding a section numbered 15.2-2286.2, relating to zoning; by-right multifamily development.*

Be it enacted by the General Assembly of Virginia:**1. That the Code of Virginia is amended by adding a section numbered 15.2-2286.2 as follows:****§ 15.2-2286.2. By-right multifamily residential development in areas zoned for commercial use.**

A. *The provisions of this section shall apply to any parcel located within a city or town having a population of more than 20,000 that has adopted a zoning ordinance pursuant to § 15.2-2280 or any parcel located within a designated metropolitan planning area pursuant to 23 C.F.R. § 450.310. The provisions of this section shall not apply to any parcel located within a (i) designated metropolitan planning area and (ii) town having a population of less than 7,500.*

B. *Notwithstanding any provision of law, general or special, local ordinance, regulation, or policy to the contrary, a zoning ordinance shall permit multifamily and mixed-use residential development as a by-right use in not less than 50 percent of the aggregate land area of all zoning district classifications that (i) permit commercial or business uses as by-right uses and (ii) are served by public water and sewer or are located within an area designated for public water and sewer service in the locality's comprehensive plan. Any development application for a multifamily or mixed-use residential development authorized pursuant to this section shall be subject to any ordinance adopted by the locality pursuant to Article 6 (§ 15.2-2240 et seq.), except if otherwise provided in this section, and shall be reviewed and acted upon administratively in accordance with the applicable provisions of §§ 15.2-2258 and 15.2-2261.*

C. *For any development application for a multifamily or mixed-use residential development authorized pursuant to this section, no locality shall (i) condition the submission, processing, or approval of any site plan or subdivision plat for such development upon the approval of a rezoning, conditional use permit, special use permit, special exception, or other discretionary approval, except as may otherwise be required for (a) development in an area designated for steep slope mountain development or (b) approval by a review board or, on appeal, the governing body, as being architecturally compatible with the historic landmarks, buildings, or structures within a historic district established pursuant to § 15.2-2306; (ii) impose more stringent land use requirements or development standards for such development than would otherwise be required within the underlying zoning district classification in which the subject property is located; (iii) impose a maximum building height that is less than the maximum building height otherwise permitted in the underlying zoning district classification in which the subject property is located; (iv) impose a maximum residential density or floor area ratio that is less than the highest otherwise permitted in the underlying zoning district classification in which the subject property is located; or (v) require that any portion of a building authorized for development pursuant to this section include commercial uses or impose a minimum floor area or percentage of floor area that is required to be devoted to such uses.*

D. *No locality shall require any existing building that is proposed to be converted to multifamily or mixed-use development pursuant to this section to comply with setback, height, stepback, or frontage requirements otherwise required for such use, provided that the existing building's footprint, height, and setbacks are not changed.*

E. *The provisions of this section shall not apply to any parcel (i) with an existing tree canopy coverage of at least 60 percent; (ii) located within the Air Installation Compatible Use Zones established by the governing body of a locality in which a United States military air installation or an auxiliary landing field used in connection with flight operations arising from a master jet base is located; (iii) located adjacent to a United States military installation where the governing body has determined that, to protect critical military readiness and operational safety, it is necessary to acquire property or development rights, convert the property to a compatible use, or prohibit new uses or development incompatible with the operations of such installation; (iv) zoned for heavy industrial or heavy manufacturing uses, as such terms may be defined in the locality's zoning ordinance; (v) that is designated, listed, or deemed a Business Ready Site or Certified Site by the Virginia Economic Development Partnership Authority; or (vi) identified as the location of a casino gaming establishment that has been approved by the voters of an eligible host city in a referendum and for which an initial license to operate a gaming operation has been granted by the Virginia Lottery Board pursuant to Chapter 41 (§ 58.1-4100 et seq.) of Title 58.1, as of July 1, 2026, or any parcel located within 2.5 miles of the property line of such location. For the purposes of this subsection, "heavy industrial uses" and "heavy manufacturing uses" shall not include administrative, business, or professional office uses, or other supporting commercial or institutional uses, that are conducted entirely within enclosed buildings, do not*

60 generate excessive noise, vibrations, odor, or air pollutants, and do not require outdoor storage of materials
61 or equipment.

62 F. Notwithstanding any provision of law to the contrary, nothing in this section shall be construed to (i)
63 preclude a locality from adopting, administering, or enforcing an ordinance adopted in accordance with
64 § 15.2-2306; (ii) limit or otherwise affect any authority, power, or duty conferred under Chapter 22 (§ 10.1-
65 2200 et seq.) of Title 10.1; (iii) exempt any building or structure subject to this section from compliance with
66 the applicable provisions of the Uniform Statewide Building Code (§ 36-97 et seq.); or (iv) preclude a
67 locality from adopting or enforcing airport safety zoning ordinances pursuant to § 15.2-2294 or aircraft
68 noise attenuation regulations, including the establishment of noise overlay zones, pursuant to § 15.2-2295.

69 G. All site plans and subdivision plats for development authorized pursuant to this section shall comply
70 with the applicable provisions of the State Water Control Law (§ 62.1-44.2 et seq.), regulations adopted
71 pursuant thereto, and local ordinances adopted to implement the requirements thereof.

72 **2. That the provisions of this act shall become effective on July 1, 2027.**

73 **3. That the provisions of this act shall expire on July 1, 2031.**