

ORDINANCE-3870

AN ORDINANCE TO AMEND SECTIONS
2100 AND 2102 AND TO ADD SECTION 2107
TO THE CITY ZONING ORDINANCE
PERTAINING TO WORKFORCE HOUSING

Sections Amended: §§ 2100 & 2102

Section Added: § 2107

WHEREAS, the public necessity, convenience, general welfare and good zoning practice so require;

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF VIRGINIA BEACH, VIRGINIA:

That Sections 2100 and 2102 of the City Zoning Ordinance are hereby amended and reordained to read as follows:

Sec. 2100. Purpose and intent.

The purpose and intent of this article is to encourage the development of high-quality housing that is affordable ~~by~~ to households with annual incomes falling within a prescribed range for prospective purchasers and prospective renters of workforce housing, respectively, set forth in the Workforce Housing provisions of chapter 16 of the City Code ~~and who live or work in Virginia Beach~~. Because such households generally, although not uniformly, consist of one (1) or two (2) working members, such housing is termed "workforce housing." In order to accomplish that goal, this article establishes incentives for the construction of workforce housing in areas of the city, including Strategic Growth Areas, in which the Comprehensive Plan recognizes increased density to be appropriate. Equally importantly, this article also ensures that workforce housing will be well-designed, of high quality, and well-integrated into the overall development of which it is a component.

. . . .

Sec. 2102. Definitions.

As used in this article, the following terms shall be defined as follows:

- (a) *Affordable*. Housing is considered affordable if no more than approximately thirty (30) percent of the gross household income of the purchaser or renter is spent on direct housing costs, as set forth in article VIII of chapter 16 of the City Code. For buyers, such costs include mortgage principal, interest, taxes, homeowner's insurance, mandatory homeowners' association dues and

condominium fees, but do not include utilities or other related housing costs. For renters, such costs include rent payments and an allowance for tenant-paid utilities other than cable television, internet, and telephone service, but do not include other related housing costs.

- (b) *Affordability level statement*. A statement of the number of workforce housing units that are affordable to eligible buyers ~~at or to~~ eligible renters at designated percentages of Area Median Income.
- (c) *Area median income (AMI)*. The Area Median Income for the Virginia Beach-Norfolk-Newport News, Virginia Metropolitan Statistical Area (MSA) published annually by the U.S. Department of Housing and Urban Development (HUD) and adjusted for household size.
- (d) *Bonus density*. An increase in the maximum allowable dwelling unit density on a property attributable to the provision of workforce housing on that property.
- (e) *Eligible buyer*. A person whose workforce housing application has been approved and who meets the home ownership requirements of the workforce housing program. These requirements center on gross annual income, and financial assets and liabilities, and location where the prospective buyer works and lives.
- (f) *Eligible renter*. A person whose workforce housing application has been approved and who meets the rental requirements of the workforce housing program. These requirements center on gross annual income, and financial assets, ~~and location where the prospective renter works and lives.~~
- (g) *Strategic growth area (SGA)*. Areas of the city that are designated in the Comprehensive Plan to absorb most of city's future growth, both residential and non-residential. These areas, which are planned for more intensive uses than most other areas of the city, are characterized by the integration, not separation, of diverse but compatible uses including, where appropriate, residential uses.
- (h) *Workforce housing (WFH)*. Housing that is generally affordable to households with working members ~~who live or work in the City of Virginia Beach~~. For home ownership, it is housing that is priced to be affordable to households with annual incomes within a range prescribed in section 16-46 of the City Code. For rentals, it is housing that is priced to be affordable to households with annual incomes within a range prescribed in section 16-51 of the City Code.
- (i) *Workforce housing discount*. The difference in sales price between a market rate unit and an equivalent workforce housing unit. This amount is calculated to be the reduction in sales price necessary to make a workforce housing unit affordable to a household at a targeted income level.

- 91
92 (j) *Workforce housing unit (WFH unit)*. A dwelling unit that is reserved for sale or
93 rent by an eligible buyer or eligible renter, as the case may be, at a price
94 incorporating the workforce housing discount. Workforce housing units are
95 constructed as a result of the bonus density provisions that allow the
96 construction of a greater number of dwelling units on a specific parcel of land
97 than is otherwise allowed in exchange for the provision of workforce housing
98 on the parcel.
99

100 BE IT FURTHER ORDAINED:

101
102 That Section 2107 is hereby added to the City Zoning Ordinance to read as
103 follows:
104

105 **Sec. 2107. Compliance agreement required.**
106

107 Prior to the issuance of the first certificate of occupancy for any workforce
108 housing unit for rent in a development approved pursuant to this article, the property
109 owner shall enter into a compliance agreement with the city and cause such agreement
110 to be recorded in the land records of the Clerk of the Circuit Court of the City of Virginia
111 Beach, in accordance with the requirements of section 16-52 of the City Code.

Adopted by the Council of the City of Virginia Beach, Virginia on the 18th day of
August, 2026.