

COMMUNITY REVITALIZATION

DESCRIPTION

The Department of Community Revitalization (DCR) coordinates the County's housing initiatives, revitalization efforts and community development programs. The department plays an integral role in the enhancement of existing residential, commercial, and industrial areas in the County. The Department is divided into two major divisions (Community Development and Community Maintenance) and is responsible for administering the following programs: CDBG, HOME and ESG programs; Virginia Enterprise Zone program; Commercial Revitalization Assistance program; Henrico Investment Program (HIP); Neighborhood Revitalization Assistance; Volunteer Assistance Program; Employee Home Purchase Assistance Program; and property maintenance and zoning enforcement in developed communities.

OBJECTIVES

- To administer and aggressively market the County's Enterprise Zone and HIP programs to potential new and existing businesses and/or property owners.
- To administer the CDBG, HOME and ESG programs, funded by the US Department of Housing and Urban Development (HUD), to assist in meeting the County's community development objectives, develop community partnerships, and implement programs necessary to meet rapidly changing needs of the County and respond to changes in federal funding.
- To administer the Community Maintenance program of environmental and zoning code enforcement.

ANNUAL FISCAL PLAN SUMMARY

Description	FY25 Actual	FY26 Original	FY27 Approved	% Change
Personnel	\$1,966,473	\$2,428,513	\$2,645,777	8.9%
Operation	323,425	407,000	411,500	1.1%
Capital	524	8,103	8,103	0.0%
Subtotal	\$2,290,422	\$2,843,616	\$3,065,380	7.8%
Recommended Adjustment	\$0	\$0	-\$85,308	100.0%
Total	\$2,290,422	\$2,843,616	\$2,980,072	4.8%
Personnel Complement*	24	24	25 **	1

**Personnel Complement does not include 4 Complement III positions that are funded through federal HUD funding.*

***One Code Compliance Inspector III added to the personnel complement in November FY26.*

Community Revitalization

PERFORMANCE MEASURES

	FY25	FY26	FY27	26-27 Change
Workload Measures				
Community Maintenance Cases	6,108	9,871	10,858	987
Inspections Made	13,796	16,435	18,079	1,644
Business Engagements	N/A	275	275	0
Responses to EZ and HIP Inquiries	N/A	700	650	-50
Efficiency Measures				
Volunteers Participating	41	80	88	8
Volunteer Hours Worked	156	305	336	31
CCP Participants	124	136	150	14
CCP Hours Worked	977	1,355	1,490	135
Efficiency Measures				
Notices of Violations Issued	966	1,275	1,402	127
Enterprise Zone Grants Completed	11	16	14	-2
Amount of Enterprise Zone Grants Awarded	\$93,193	\$128,000	\$100,000	-\$28,000
Value of All Enterprise Zone Grant Assisted Projects (Amount Leveraged)	\$1,144,348	\$900,000	\$880,000	-\$20,000
Value of Enterprise Zone Grant Projects	\$112,048,868	\$115,000,000	\$120,000,000	\$5,000,000
Henrico Investment Program Grants Completed	10	27	30	3
Amount of HIP Grants Awarded	\$85,860	\$315,700	\$349,000	\$33,300
Amount of HIP Grant Assisted Projects	\$10,904,679	\$2,525,600	\$2,792,000	\$266,400
Number of Owner-Occupied Single-Family Homes Served Through Repair or Rehabilitation	66	68	68	0

OBJECTIVES (CONTINUED)

- To identify needs within the County's older communities and offer staff and volunteer services to improve properties and structures as a part of the Volunteer Assistance Program.
- To prepare plans and design programs for older commercial corridors in the County to identify opportunities to facilitate investment and improvement and to develop realistic plans of action for addressing concerns.
- To perform special projects requested by the Board of Supervisors, County Manager, or other departments.
- To develop neighborhood enhancement strategies for mature residential and commercial areas of the County to ensure that such areas remain attractive for existing and potential residents and retain viable businesses.

Community Revitalization

- To coordinate the review of tax credit applications and low-interest bond financing requests to encourage rehabilitation and new investment in the County's aging multi-family developments.
- To administer the County's housing related programs and initiatives (e.g., Affordable Housing Trust Fund program, Employee Home Purchase Assistance program, Agreements/MOUs with owners of affordable apartment communities).

BUDGET HIGHLIGHTS

The Department's budget for FY27 is \$2,980,072. This represents an overall increase of \$136,456, or 4.8%, from the previous fiscal year's budget. Personnel is increasing by \$217,264, or 8.9%, due to increases in salary and the accompanying adjustment in benefits, and the addition of a Code Compliance Inspector III to the personnel complement. The Code Compliance Inspector III will be responsible for enforcing Chapters 10, 22, and 24 of the Henrico County Code, focusing on Vape and Recreational Substance code enforcement. The operating portion is increasing by \$4,500 to account for an increase in the office lease for the department. As part of an exercise in fiscal prudence, this budget includes an operating decrease of \$85,308 which is equivalent to 3% of the department's FY26 approved budget.

DEPARTMENTAL HIGHLIGHTS

Community Revitalization collaborates with departments, including the Department of Building Inspections, Henrico Police Division, Henrico Division of Fire, Department of Public Utilities, and Department of Public Works in a multi-faceted effort to proactively enforce compliance with applicable codes directed at creating and maintaining clean and safe communities. The Department is dedicated to preserving and revitalizing the County's mature neighborhoods, business corridors, and industrial areas through its programs and activities. Community Revitalization staff coordinates with neighborhoods, businesses, and community organizations to raise resident awareness regarding community maintenance requirements, housing assistance, and Enterprise Zone and HIP programs administered by the Department. Meetings with these organizations also allows for the collection of valuable feedback on programs and an opportunity to solicit volunteers for assistance projects.

The Community Development Division administers the programs funded by the U.S. Department of Housing and Urban Development (HUD), which includes the Community Development Block Grant (CDBG) and Home Investment Partnerships program (HOME). HUD funding for the Emergency Solutions Grant (ESG) has been intermittent in recent years, with funding provided for Federal FY24 but not Federal FY25. The CDBG and HOME grant programs, which are awarded by the Federal government each year, are based on the Federal fiscal year that runs from October 1st through September 30th.

Beginning with the latter part of FY20, special allocations of CARES Act and American Rescue Plan (HOME-ARP) funds from HUD are also administered by the Community Development Division. All remaining CARES-Act funds, of the original \$4 million total, were expended during Federal FY24. HOME-ARP funds must be spent by 2030.

Community Revitalization

There are four positions within the Department that are fully grant-funded and are not included in the County's personnel complement. Two other positions are partially grant funded and partially funded with general fund dollars. This funding is appropriated once the grant awards are announced by HUD and the projects and programs to be supported by the award have been identified and approved by the Board of Supervisors. The projects and programs begin after Award Agreements are signed by HUD and the County. Grant funding that is not expended by the end of the federal program year is re-appropriated in the following year to complete the use of this funding.

A few of the Community Development Division's major accomplishments and ongoing responsibilities within the CDBG and HOME grant programs include the Housing Rehabilitation program and Critical Home Repair programs, the CONNECT Program for at-risk youth, the down payment assistance program providing homeownership opportunities to first-time lower-income homebuyers, and administration of business assistance programs: Enterprise Zone, HIP Zone, and small business loan program. Enterprise Zone businesses in Henrico received just over \$330,000 in State grants for work completed or jobs created in calendar year 2024.

CDBG funds from the Federal FY24 program year were also used to assist with renovations at the CARITAS Dinwiddie Avenue Shelter and to enable Henrico McKinney-Vento families residing in hotels re-establish in permanent housing. The ESG program provided homelessness prevention and assistance to homeless persons with shelter and case management, and rapid re-housing for homeless families. The Community Development Division also administers the Enterprise Zone Program, Commercial Assistance Program, and Henrico Investment Zone Program to facilitate improvements to commercial buildings and business corridors. As the CARES-ACT funded CDBG and ESG programs wound down, by the end of FY23, over 650 Henrico persons were provided homeless services or assistance, and over 8,500 Henrico persons or households received a variety of assistance including housing, food, educational needs, educational assistance, and counseling.

Since 2005, Henrico County Enterprise Zone businesses have received over \$16.8 million in grant funds from the Commonwealth of Virginia for real property investment, and over \$478,000 for job creation. These grant funds leveraged over \$472 million worth of investment. County grant funds (both CDBG and General Funds), have assisted 339 Enterprise Zone businesses (many with multiple grants), providing just over \$2.3 million in grant funds, leveraging \$12.5 million in investment. In the last three calendar years alone, permit fee waivers benefited 1,462 Enterprise zone businesses, supporting an aggregate investment of \$654.5 million.

The Community Maintenance Division responds to property maintenance and zoning violation complaints made by residents, business owners, the County Board of Supervisors, department heads, and community groups. Complaints against private property are field verified and appropriate enforcement action is taken when warranted. Community Maintenance inspection staff also conduct proactive case work in their assigned inspection areas as part of their typical duties. In addition to the enforcement responsibilities, the department coordinates community clean-ups (in conjunction with the Department of Public Utilities) and regularly attends neighborhood meetings. The Division also manages and organizes volunteer

Community Revitalization

assistance programs that match County employees, civic, faith based, business, neighborhood, and nonprofit groups with low-income senior or disabled residents whose homes need limited yard work. Additionally, the division administers a trash dumpster program that provides, free of charge, a 40 cubic yard dumpster to lower-income property owners who have a physical or financial hardship and need to resolve property maintenance violations (trash, debris, clutter, overgrowth) impacting their adjacent neighbors and the community at large.

At the District Court's direction, participants of the Community Corrections Program (CCP) fulfill community service hours primarily on weekends. This additional time is credited to community maintenance programs due to the division's involvement in providing tools, equipment, and trash dumpsters for projects. Most of the work performed by CCP participants has been limited to the clean-up and maintenance of the Woodland Cemetery, a predominantly African American burial ground serving the Richmond community since 1917.

The Community Maintenance Division will continue to collaborate with Building Inspection's Existing Structures division as they investigate and enforce building code violations that go hand in hand with zoning and property maintenance violations. During FY25 and FY26, DCR staff participated in the Hotel/Motel Task Force, charged with addressing the challenges faced by the County relating to hotels/motels that have become de facto long-term rental housing and pseudo crisis stabilization facilities (contrary to zoning and building code requirements). For FY26, as of November 17, 2025, Community Maintenance staff conducted 148 inspections to assess the number of long-term guests at these facilities and identify property maintenance violations.

In addition to the Hotel/Motel Task Force, staff also inspected apartment complexes as a result of the St Luke and Glenwood Farms initiatives. A total of 164 inspections were conducted, including 628 proactive inspections and 102 follow up inspections to correct property maintenance and site plan violations. The violations included tall grass and weeds, trash and dumpster complaints, parking, lighting, fencing and rodent complaints.

New for FY26, the Community Maintenance Division joined two new task forces created to address Recovery Residences and Recreational Substance store complaints and violations. At the direction of the County Manager's Office and in collaboration with Building Inspections, Henrico Fire, Henrico Police, and the County Attorney's Office, more robust enforcement efforts have been made to address community concerns with these uses. This has resulted in a team inspection approach to address complaints and conduct proactive code compliance inspections. With respect to Recreational Substance stores, two code compliance inspectors have been selected to focus on this use. They will conduct the in-depth zoning research to do a thorough review of the underlying zone, associated proffers and Plan of Development conditions in addition to the specific requirements outlined in code. They have been working on developing a consistent and systematic inspection approach to apply to each inspection for new and existing stores.

The Department of Community Revitalization also plays a major role in coordinating the County's various housing initiatives. The Department continues to work with other agencies to execute memoranda of

Community Revitalization

understanding (MOU) with apartment owners interested in recapitalizing their apartment communities. To date, the County has entered into 6 MOUs with the owners of Hope Village, Henrico Arms, St. Luke, Newbridge Village, Place One and Helios Apartments. Construction is complete for St. Luke apartments and Helios.

The Department of Community Revitalization continues to work with the Maggie Walker Community Land Trust (MWCLT) to develop and sell homes at an affordable price point. As of February 19, 2026, MWCLT has approximately 46 in their pipeline with five homes in various phases of construction and development. Richmond Habitat for Humanity (RHHF) constructed and sold two homes in the Varina district. The Department of Community Revitalization also partners with a local non-profit to administer the Employee Home Purchase Assistance Program (EHPAP) which provides downpayment and closing cost assistance to eligible general government, Henrico County Public Schools, and constitutional officer employees. As of February 19, 2026, 60 employees have purchased homes with support from EHPAP. In addition, DCR continues to work with the Partnership for Housing Affordability to administer the Affordable Housing Trust Fund (AHTF) that is capitalized at \$60 million. As of February 19, 2026, thirteen applications have been approved for AHTF dollars, and one additional application is currently under review. Funds awarded to date total over \$32 million to support 383 units. 33 homes have been sold to first-time homebuyers.