

2026 General Assembly



Legislative Program





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Virginia First Cities Coalition (VFC) was founded 26 years ago to bolster state funding for the Commonwealth's older, core, and urban cities. VFC was initially formed to ensure our cities were not disadvantaged by the moratorium on annexation and the resultant sprawl of jobs and housing to Virginia's suburban and suburbanizing localities.

VFC's mission took hold early on and we've expanded to be proactive to protect and bolster our member cities in the Virginia state budget and with legislative and public policy, especially funding and programs for community wealth building, early childhood/Pre-K-12 education, blight abatement, transportation, housing, urban infrastructure, and public safety.

The reasons for the formation of VFC are still in play today and include an inability to grow our tax base (historic cities serve more people in poverty and have smaller tax bases), and an archaic tax system that is not responsive to the reality of the state's economy.

*We call to the attention of Governor Spanberger and the Secretary of Commerce and Trade the provisions of § 2.2-206 – **Urban issues; report; responsibilities of the Secretary** and the issuance of an executive order creating an urban policy vision and priorities.*

We offer our 2026 General Assembly Legislative Program as a blueprint.



2026 Legislative Program

Virginia First Cities

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PRIORITIES

Community/Economic/Housing/Workforce Development & Land Use

Defend Local Zoning Authority – Our members’ number one priority is to oppose legislation that reduces the authority of cities relating to planning and zoning, especially the regulation of short-term rentals, affordable dwelling units, neighborhood preservation, and mandated housing unit production. While VFC members are urban cities and in-fill development is a major tool available to us, we affirm that we are not “one-size fits all.”

Housing Supply – VFC supports programs and policies that make it easier for cities to approve new and potential rehabilitated housing projects. Both the **Urban Public Private Partnership Redevelopment Fund** and the **CDFI Fund** require targeted state funding to be effective tools for expanded housing supply.

Virginia Housing Trust Fund (VHTF) – VFC supports responsibly scaling the VHTF to a minimum of \$500M per year and implementing operational improvements to enhance efficiency and ensure stronger alignment with complementary funding streams.

Federal Funding Uncertainty/State Impact

Virginia First Cities requests the Governor and the General Assembly to lean into discontent with the status quo that our urban voters expressed during the recent statewide elections on November 4, 2025, by following the requirements found in § 2.2-206. **Urban Issues; responsibilities of the Secretary**, to evaluate and promote economic potential and development of **Urban Public Policy** in the Commonwealth. VFC requests the Commonwealth of Virginia to fund those core services that sustain our families, children, and communities. The federal impact on state finances as the result of changing relationships at the federal level is a massive unknown for Virginia’s cities. Federal spending reductions, elimination of grant programs and funding in several programmatic areas like K-12 education, water and sewer infrastructure, health and human resources are all having enormous impact on our cities and local budgets that grows more concerning by day.

General Government/Taxation

Mandates - VFC requests the General Assembly refrain from imposing mandates on our fiscally distressed cities without replacement revenue.

Health & Human Services

TANF for Employment/Community Employment and Training Grants have proven an effective grant program that brings together workforce and the necessary wraparound services to the underemployed. The General Assembly is requested to continue general fund support for this program administered by the Virginia Department of Social Services.

Employment for TANF Cost Shifting for SNAP and Medicaid - VFC requests the Commonwealth fund these core services that sustain our families, children, and communities.

Community Service Boards – VFC supports sustained state funding and technical assistance for community services boards/behavioral health authorities to continue to implement **STEP-VA** requirements and to support the planning and implementation of

Marcus Alert protocols. This funding should not force decisions on other community-based service initiatives, nor should the funding obligation be shifted to local governments.

K-12 & Early Childhood Education

At-Risk Add-On in Code of Virginia - Designate **At-Risk Add-On** funding as Standards of Quality (SOQ)-mandated funding and enshrine it in the Code of Virginia, as well as in the state budget.

School Construction, Sales Tax with Referendum - Provide statewide local authority for a local one percent sales tax for school construction by referendum.

Public Safety & Technology

HB 599 Aid to Local Police - Virginia First Cities members request the General Assembly to fund **HB 599/State Aid to Localities with Police Departments** as per statute.

Community-Based Gun Violence Prevention - VFC's Gun Violence Prevention Work Group affirmed support for funding for the **Safer Communities Program** and other community-based gun violence prevention strategies that get to the root causes and conditions of community violence.

Transportation

Street Maintenance Payments - VFC requests the General Assembly fund street maintenance payments at the same rate of increase as VDOT-maintained roads.

Community/Economic/Housing/Workforce Development & Land Use

Priority

Defend Local Zoning Authority – Local land use decisions should remain local. Neither the state nor the federal government should preempt city authority in this area. Local officials, planning departments, and citizens are best situated to understand and manage the specific nuances, impacts, and repercussions of land use decisions within their own communities. Our cities are responsive to new processes to promote housing access, greater density, and an array of options. However, we oppose any legislative attempts to preempt local government zoning authority, particularly regarding **Accessory Dwelling Units, Short-Term Rentals, in-fill re/development and housing access.**

- **Housing Supply** – VFC supports programs and policies that make it easier for cities to approve new and potential rehabilitated housing projects. Both the **Urban Public Private Partnership Redevelopment Fund** and the **CDFI Fund** require targeted state funding to be effective tools for expanded housing supply. Further, zoning tools, as found in § 15.2-2304 (affordable dwelling unit ordinances) should be made available to any locality that wants create and implement effective inclusionary zoning programs tailored to the needs in their jurisdictions.
- **Virginia Housing Trust Fund (VHTF)** – VFC supports responsibly scaling the VHTF to a minimum of \$500M per year and implementing operational improvements to enhance efficiency and ensure stronger alignment with complementary funding streams.

Position Statements

- VFC supports an additional \$1M for the **Virginia Main Street Program**, and removal of the administrative cap.
- VFC supports the Virginia **Historic Rehabilitation Tax Credit** and **Housing Opportunity Zone Tax Credit** programs.
- VFC supports community and economic development tools including the **Enterprise Zone** program. Any expansion of zones must be funded with advance appropriations that do not cause contraction or proration of the existing zones.
- VFC supports state general fund increase for the **Community Development Financial Institution (CDFI) Fund** that helps grow capacity of Virginia community development lenders, investors, and financial services providers so that in-turn, the under-banked can grow, support and thrive in our cities.

- VFC supports an increase to the **Virginia Brownfields Restoration & Redevelopment Assistance Fund (VBAF) Program**. Over the course of the last 10 years of the VBAF Program, \$9.6 million have been awarded, resulting in 1,670 new jobs created a \$959 million increase in real estate value, and \$264 million in additional economic output. The VBAF Program has been particularly helpful to our member cities. However, applications and the need for planning, assessment, and remediation grants have outpaced available funds.
- VFC supports our member cities efforts to **strengthen supports and operating procedures when it comes to stable housing**. In particular, VFC requests the state 1) establish and fund an “**Eviction Assistance Agent**” initiative to support localities that request assistance to work directly with landlords identified as having high eviction rates and with tenants at risk of eviction to explore and implement alternatives to eviction; 2) create a Standardized Rental Ledger Requirement so that eligible tenants can apply for public utility support programs that clearly separate the tenant’s base rent from utility charges; and 3) request the Virginia Housing Commission to study and provide recommendations regarding i) should there be limits to **attorney’s fees in dismissed eviction cases**; ii) a **maximum attorney’s fee cap** and an appropriate maximum limit; iii) defining and categorizing all currently eligible fees associated with eviction-related court proceeds in Virginia and recommend a cap on the total amount of fees that may be imposed on an individual during the eviction process.

Federal Funding Uncertainty/State Impact

Priority

- The federal impact on state finances as the result of changing relationships at the federal level is a massive unknown for Virginia’s cities. Federal spending reductions, elimination of grant programs and funding in several programmatic areas like K-12 education, water and sewer infrastructure, health and human resources are all having enormous impact on our cities and local budgets that grows more concerning by day.

In this period of rapidly devolving relationships and funding between federal, state and local governments, and a recognition that these issues cannot be solved by continuing to push them down to local governments to deal with, Virginia First Cities **requests the Governor and the General Assembly** lean into the discontent with the status quo that our urban voters expressed during the recent statewide elections on November 4, 2025 by following the requirements found in **§ 2.2-206. Urban Issues; responsibilities of the Secretary**, to evaluate and promote economic potential and development of **Urban Public Policy** in the Commonwealth. For example, a re-look at issues including: 1) the inability for Virginia cities to grow their tax base, coupled with an archaic and inefficient taxation structure; 2) the demands that healthy growth and density put on our aging urban infrastructure like water, sewer, and combined sewer systems and high-fiscal stress; 3) commitments enshrined in the Code of Virginia that went years without funding, like HB 599, State Aid to Localities with Police Departments; and the unprecedented demands on our local/city social service and health care delivery programs; and 4) a housing and affordability crisis that threaten all of

our citizenry; 5) providing local government **increased flexibility** within the Dillon Rule to address our exigent local needs, programs, and funding.

VFC requests the Commonwealth of Virginia to fund those core services that sustain our families, children, and communities.

General Government/Taxation

Priority

- The General Assembly is requested to refrain from imposing mandates on our fiscally distressed cities without replacement revenue.

Position Statements

- The state should **not impose additional exemptions from locally generated revenues** or impose additional burdens that make it more difficult to raise revenue in our cities. Further, state-mandated exemptions to the local option sales tax, the real estate tax, or utility taxes should not be imposed unless there is a viable revenue replacement available to make local governments whole.
- Authorize local governments to regulate land use, zoning, & hold a referendum on retail Cannabis Retail Sales. Allow local tax on recreational cannabis retailers.

Health & Human Services

Priority

- **Cost Shifting for SNAP and Medicaid** - Recent federal legislation, including H.R. 1 (OBBB), and the federal government shutdown has significantly altered the funding structure for the Supplemental Nutrition Assistance Program (SNAP), shifting a large portion of the financial responsibility to the states. VFC requests the Commonwealth fund these core services that sustain our families, children, and communities.
- **Community Service Boards** – VFC supports sustained state funding and technical assistance for community services boards/behavioral health authorities to continue to implement **STEP-VA** requirements and to support the planning and implementation of
- **Marcus Alert** protocols. This funding should not force decisions on other community-based service initiatives, nor should the funding obligation be shifted to local governments.

Position Statements

- The **TANF for Employment/Community Employment and Training Grants** have proven an effective grant program that brings together workforce and the necessary wraparound services to the underemployed. The General Assembly is requested to continue general fund support for this program administered by the Virginia Department of Social Services.
- **Virginia Food Access Grants** support local food systems by investing in projects that improve retail access to fresh foods in low-income areas. This is more important than ever with federal cuts to SNAP and other food security programs.

K-12 & Early Childhood Education

Priority

- **At-Risk Add-On in Code of Virginia** - Designate **At-Risk Add-On** funding as Standards of Quality (SOQ)-mandated funding and enshrine it in the Code of Virginia, as well as in the state budget. Virginia First Cities has worked over the last 10 years to increase state appropriations for the true costs of educating our at-risk children and school divisions. The 2023 Joint Legislative Audit and Review Commission report on Virginia Standards of Quality agreed that there should be more equitable distribution of the costs of K-12 public education with local governments.
- **School Construction, Sales Tax with Referendum** - Provide statewide local authority for a local one percent sales tax for school construction by referendum.

Position Statements

- The **Virginia Preschool Initiative (VPI)** is fully supported and VFC believes funding levels must be maintained at current FY 2026 levels.
- **Different Funding Strategy for K-12 Education** - VFC believes the state should consider a Joint Legislative Audit and Review Commission study of how other states fund public education and pursue a different funding strategy that provides a more effective and realistic basis for per-pupil funding. The **Local Composite Index (LCI)** is not the most effective and often is not an accurate proxy for determining the ability of each locality to pay its share of K-12 expenses as defined by the Standard of Quality.
- **Local Composite Index, Three-Year Average** - The General Assembly is requested to implement JLARC K-12 Funding Formula study recommendation #7 to **change the local composite index to be calculated using a three-year average** of the most recently available data, rather than a single year of data every other year. This change will provide a more stable and reliable measure by smoothing out short-term fluctuations

- **Access & Funding for VPI, Head Start** - VFC supports increasing at-risk children’s access to high-quality learning, including more resources and flexibility for localities participating in programs like the Virginia Preschool Initiative (VPI) and Head Start.
- The state is requested to fully fund the **Virginia Child Care Subsidy Program**.

Public Safety & Technology

Priority

- **Fund HB 599 per Statute** - As the only Virginia organization dedicated solely to the needs of the Commonwealth’s historic core cities, Virginia First Cities members request the Commonwealth fully fund the commitments made to our fiscally stressed cities when the moratorium on annexation was put in place. We ask the General Assembly to fund **HB 599/State Aid to Localities with Police Departments** as per statute and then some, so that our cities can better support critical public safety services. We also request that JLARC study the **HB 599 funding gap** and the origins of the HB 599 program and its critical importance to our cities.
- **Funding for Community-Based Gun Violence Prevention** - VFC’s Gun Violence Prevention Work Group affirmed support for funding for the **Safer Communities Program** and other community-based gun violence prevention strategies that will bring down gun violence occurrences by addressing holistic, community-based strategies that get to the root causes and conditions of community violence.

Position Statements

- **Temporary Detention Orders** - VFC supports allowing **retired law enforcement officers** to contract with Police/Sheriff Departments to conduct **temporary detention orders**.
- **Cybersecurity Protections**. Security threats to our customer service facing and internal computer systems are increasing in frequency and sophistication. The pressure on cities to become “smarter” or more connected is mounting, and nearly everything a local government does depends on its ability to create, maintain, share and secure large quantities of data. With federal government cutbacks and curtailment of cybersecurity protocols that previously supported cities, VFC requests the State fill in the gaps to assist our cities.
- **Using Technology to Improve Public Safety**. The confluence of government operations and technology is exciting but also daunting. Virginia First Cities is supportive of legislation that provides localities the authority to implement technological enhancements to better serve our citizens, especially in public safety.

Transportation

Priority

- **Street Maintenance Payments should be commensurate with VDOT-maintained Roads**
While our member cities own and maintain their own roads they cannot do so without critical support from the Commonwealth as noted in the 2021 Joint Legislative Audit and Review Commission's report on Transportation. VFC requests the General Assembly **fund street maintenance payments** at the same rate of increase as VDOT- maintained roads

Position Statements

- **Red Light/Speed Cameras** - VFC supports our members' efforts to reform the service of process and violations for **red light/school bus/work zone cameras**. In addition, we support allowing jurisdictions with elevated daily traffic, and verified crash statistics to implement speed cameras, irrespective of population thresholds; and retention of local revenues to be spent on traffic, pedestrian, and bicycle safety improvements.
- **Multi-Modal Transportation** - VFC requests the State return to **supporting multi-modal transportation infrastructure**, not just road construction and maintenance. Multi-model solutions are crucial for urban transportation development and to ensure city pedestrian, bicycle and vehicular safety.
- **Public transportation** is an important resource for promoting economic growth, enhancing quality of life for our residents, and attracting and retaining a diverse workforce. Sustainable funding is critical to provide reliable transit services. VFC supports increased funding for the **Commonwealth Mass Transit Fund**, as current investment levels do not adequately address statewide transit needs. In addition, any proposed modifications to the Making Efficient and Responsible Investments in Transit (MERIT) funding formula should be undertaken through a transparent, inclusive process that fully engages stakeholders and carefully evaluates and explains potential impacts.

Statement/Disclaimer: Individual items in the 2026 VFC Legislative Program may not be officially supported by every member city.