

INTRODUCED: April 13, 2026

AN ORDINANCE No. 2026-082

To amend City Code § 12-48, concerning disposition of certain real estate tax revenue, for the purpose of requiring additional annual reporting on loans awarded from the Affordable Housing Trust Fund.

Patrons – Ms. Abubaker, Ms. Robertson, Ms. Jones and Ms. Lynch

Approved as to form and legality
by the City Attorney

PUBLIC HEARING: APR 27 2026 AT 6 P.M.

THE CITY OF RICHMOND HEREBY ORDAINS:

§ 1. That section 12-48 of the Code of the City of Richmond (2020) be and is hereby **amended** and reordained as follows:

Sec. 12-48. Disposition of certain real estate tax revenue.

(a) Beginning July 1, 2028, when the City collects or receives real estate taxes levied pursuant to Section 26-355, the Director of Finance shall credit an amount equal to 2.5 percent of the real estate taxes collected or received by the City pursuant to Section 26-355 during the immediately preceding complete fiscal year to the Affordable Housing Trust Fund established in

AYES: 8 NOES: 0 ABSTAIN: _____

ADOPTED: APR 27 2026 REJECTED: _____ STRICKEN: _____

section 16-51. Amounts credited may be disposed of as provided in Section 16-113 and Section 16-114.

(b) The Affordable Housing Trust Fund shall be funded through annual appropriations made by the City Council from the dedicated revenue source established by this section, and as set forth in section 16-51.

(c) The Chief Administrative Officer shall implement the provisions of subsection (a) of this section for funding the Affordable Housing Trust Fund through a transition plan spanning the fiscal years beginning July 1, 2026, and ending June 30, 2027, and beginning July 1, 2027, and ending June 30, 2028. During this period, the City may leverage the Capital Improvement Program resources to provide funds for the Affordable Housing Trust Fund established in section 16-51 in an amount equal to 2.5 percent of the real estate taxes collected or received by the City pursuant to Section 26-355 during the immediately preceding complete fiscal year. The Chief Administrative Officer shall submit annual progress reports to the City Council throughout the transition period.

(d) In the event of a fiscal constraint, material revenue shortfall, or significant budgetary impact, the Chief Administrative Officer shall provide the City Council a financial analysis and recommended course of action. The City Council may then take any action necessary to ensure continued fiscal stewardship and transparency.

(e) After the completion of the transition plan provided for in subsection (c) of this section, the Chief Administrative Officer shall report annually to the City Council by December 31st of each year on funding sources, housing production, leveraging of public and private resources, and the long-term financial sustainability of the Affordable Housing Trust Fund. For

any awards made in the form of loans, the annual report shall include a summary of loan performance, including:

- (1) Total loan principal outstanding;
- (2) Amounts repaid during the prior fiscal year;
- (3) Delinquent amounts, if any; and
- (4) Any loan defaults, restructurings, or write-offs.

(f) The Chief Administrative Officer shall provide to the City Council, and shall cause the public posting on the City's website of, the regulations and operational policies and procedures for the Affordable Housing Trust Fund and its programs required by section 16-114, including the effective date of each such document and any amendments thereto.

(g) Notwithstanding any other provision of this section, the dedication of revenue established by subsection (a) of this section shall be subject to reauthorization by the City Council no later than June 30, 2031, and every four fiscal years thereafter. No amounts shall be credited pursuant to subsection (a) for any fiscal year beginning on and after July 1, 2031, unless the City Council adopts an ordinance reauthorizing the dedication for the next four fiscal years.

(h) Prior to any reauthorization under subsection (g), the Chief Administrative Officer shall submit to the City Council an evaluation of the Affordable Housing Trust Fund's performance over the prior four fiscal years. Such evaluation shall include, at a minimum:

- (1) Outcomes achieved using Affordable Housing Trust Fund awards, including the number of housing units created or preserved and the affordability levels served;
- (2) The distribution of awards made as loans and as grants;

(3) Repayment performance for loans and the extent to which revolving loan activity has increased total investment supported through the fund;

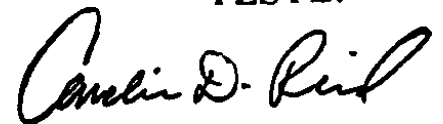
(4) Compliance with applicable conflict-of-interest requirements and recusal procedures; and

(5) Recommendations for any changes to the Affordable Housing Trust Fund's regulations, operational policies, procedures, or award criteria.

§ 2. This ordinance shall be in force and effect upon adoption.

A TRUE COPY:

TESTE:

A handwritten signature in black ink, appearing to read "Carolin D. Reed". The signature is written in a cursive, flowing style.

City Clerk

DATE: April 13, 2026
TO: The Honorable Members of City Council
THROUGH: RJ Warren, Council Chief of Staff
THROUGH: Maria Garnett, Council Policy Analyst
FROM: The Honorable Sarah Abubaker, Councilmember 4th District
RE: To amend City Code § 12-48, concerning disposition of certain real estate tax revenue, for the purpose of requiring additional annual reporting on loans awarded from the Affordable Housing Trust Fund.

CNL-2026-0022

PURPOSE: This ordinance strengthens transparency and accountability for awards made using dollars from the Affordable Housing Trust Fund (AHTF) via the revised mechanism for predictable and consistent funding established by Ord. 2026-045. Specifically, the amendments to Sec. 12-48(e) in this ordinance would require annual reporting related to any loan awards funded by the AHTF, which would document not only loan performance but also the extent to which AHTF funds revolve, or self-replenish, using loans and loan repayment.

BACKGROUND: This amendment to Sec. 12-48 was originally proposed for Ord. 2026-018, and although the spirit of the amendment is reflected in the joint AHTF funding ordinance, the level of specificity and frequency of reporting on loan activity and performance (i.e., every four years vs. part of annual reporting) was not.

COMMUNITY ENGAGEMENT: By further strengthening transparency and accountability, this ordinance would help to improve Richmond residents' trust in their government and its use of their tax dollars.

STRATEGIC INITIATIVES AND OTHER GOVERNMENTAL: A Thriving City Hall

FISCAL IMPACT: There would be no additional fiscal impact of reporting on loan activity and performance information already being tracked by DHCD and the AHTF Board.

DESIRED EFFECTIVE DATE: Upon adoption

REQUESTED INTRODUCTION DATE: April 13, 2026

CITY COUNCIL PUBLIC HEARING DATE: April 27, 2026

REQUESTED AGENDA: Consent

RECOMMENDED COUNCIL COMMITTEE: Finance & Economic Development

AFFECTED AGENCIES: Office of the Chief Administrative Officer

Department of Housing and Community Development

RELATIONSHIP TO EXISTING ORD. OR RES.: Ord. 2026-045

ATTACHMENTS: None

STAFF: Maria Garnett, Council Policy Analyst, (804) 298-5052