



**City Of Richmond, Virginia
Office of the City Clerk**

Request to Withdraw Legislation

Paper Number: Res. No. 2017-R086

Chief Patron: Councilor Ellen Robertson

Introduction Date: November 13, 2017

Chief Patron Signature: 

For Office Use Only

Attestation: 

Effective Date: September 18, 2018

INTRODUCED: November 13, 2017

A RESOLUTION No. 2017-R086

To request that the Chief Administrative Officer establish and implement a policy and methodology to require that any residential development agreement to which the City is a party or involving City financial incentives mandate that a minimum percentage of the new residential development's total units be designated as affordable housing.

Patron – Ms. Robertson

Approved as to form and legality
by the City Attorney

PUBLIC HEARING: DEC 11 2017 AT 6 P.M.

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF RICHMOND:

That the Council requests the Chief Administrative Officer to establish a policy and methodology to require, to the extent permitted by applicable law, that any agreement to which the City is a party involving the development of real estate for residential structures (“residential development agreement”) include, and that any City funds expended, in-kind donations made by the City, or partial tax exemptions provided by the City for the rehabilitation or construction of residential structures (“City financial incentives”) be contingent upon the fulfillment of an obligation that a minimum percentage of not less than ten percent of any such development,

AYES: _____ NOES: _____ ABSTAIN: _____

ADOPTED: _____ REJECTED: _____ STRICKEN: _____

rehabilitation, or construction be reserved for and offered to potential buyers or tenants as affordable housing.

BE IT FURTHER RESOLVED:

That the Chief Administrative Officer is further requested to provide the Council with any recommended amendments to the Code of the City of Richmond (2015), as amended, as may be necessary and permitted by applicable law to establish the policy and methodology for residential development agreements and City financial incentives called for by this resolution and a report outlining such policy and methodology by no later than 60 days after the adoption of this resolution.



Richmond City Council

The Voice of the People

Richmond, Virginia

Lou Brown Ali
Council Chief of Staff

Office of the Council Chief of Staff

Ordinance/Resolution Request

RECEIVED

NOV 13 2017

TO Allen Jackson, City Attorney

THROUGH Lou Brown Ali, Council Chief of Staff *LB*

FROM Charles M. Jackson, Council Budget Analyst *C. J.*

COPY Ellen Robertson, 6th District Council Member
Meghan K. Brown, Deputy Council Chief of Staff
Kiya Stokes, 6th District Liaison
Haskell Brown, Deputy City Attorney

DATE October 6, 2017

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TITLE **To Require the Availability of Affordable Housing Units for City Related Development Deals**

OFFICE OF CITY ATTORNEY

This is a request for the drafting of an **Ordinance** **Resolution**

REQUESTING COUNCILMEMBER/PATRON

Ellen Robertson

SUGGESTED STANDING COMMITTEE

Land Use Housing and Transportation

ORDINANCE/RESOLUTION SUMMARY

The patron requests a resolution to request that the City's Administration to create a policy/methodology to include a requirement when structuring development deals that includes the sale of city-owned, tax delinquent and blighted properties; in addition to City aid (i.e., grants, tax abatements, other incentives, etc.) that a certain portion of the residential development include a determined number of affordable housing units. The developed policy/methodology is to be reported back to City Council by no later than sixty days upon adoption by City Council.

BACKGROUND

The Problem of Affordable Housing: The lack of affordable housing is widely considered a national and even global crisis. Throughout recent history, housing costs has drastically increased while the number of prospective homeowners and renters who need low-priced housing has increased. These two pressures make affordable housing availability more difficult for Americans. According to the Urban Institute, only twenty-eight percent (28%) of adequate and affordable housing units are available for every 100 renter households with income at or below thirty percent (30%) of 'Area Median Income' (AMI) level.

Defining Housing Affordability: The standard definition for housing affordability is that households should pay not more than thirty percent (30%) of their income for

housing—including utilities. Affordable housing policies nationwide target assistance to 'cost burdened' families—low-income households whose incomes are no greater than eighty percent (80%) of a region's AMI, adjusted for household size as calculated by the U.S. Housing and Urban Development (HUD). Specific levels of distinction for cost burdened households are:

1. **Extremely Low Income (ELI):** Households with income at or below the Poverty Guideline or 30% of Area Median Income (AMI), whichever is higher.
2. **Very Low Income (VLI):** Households with income between 31% and 50% of AMI.
3. **Low Income (LI):** Households with income between 51% and 80% of AMI.
4. **Middle Income (MI):** Households with income between 81% and 100% of AMI.

Policy Requirement: The City's Administration shall develop and implement a policy requirement that ensures a portion (**i.e. at least 10 percent or other methodology**) of affordable housing units are required to be included in a residential development when structuring development deals for residential development involving the sale/transfer/etc. of city-owned property or City aid (i.e., grants, tax abatements, other incentives, etc.).

FISCAL IMPACT STATEMENT

Fiscal Impact Yes No

Budget Amendment Required Yes No

Estimated Cost or Revenue Impact:

An approximate estimate cannot be determined at this time.
Staff time and resources will be required to develop and draft a policy.

Attachment/s Yes No