



## CITY OF RICHMOND

### Department of Planning & Development Review *Staff Report*

**ORD. 2021-106:** To declare surplus and to direct the sale of certain City-owned real estate for nominal consideration to The Maggie Walker Community Land Trust for the purpose of facilitating the redevelopment thereof.

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**To:** City Planning Commission  
**From:** Land Use Administration  
**Date:** May 3, 2021

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#### **PETITIONER**

Sharon L. Ebert, DCAO – Planning, Community & Economic Development Portfolio

#### **LOCATION**

5913 Fergusson Road, 3100 Alvis Avenue, 410 & 429 Pollock Street, 431 & 3201 Hazelhurst Avenue, 207 E Ladies Mile Road, 6117, 6109 & 6101 Forest Hill Avenue, 1903 & 1905 Semmes Avenue, 3602 Delaware Avenue, 1501 Call Street, 4809 Old Warwick Road

#### **PURPOSE**

To declare surplus and direct the sale of certain City-owned real estate to the Maggie Walker Community Land Trust for the purpose of increasing affordable homeownership housing opportunities in the City of Richmond with a preference to increase homeownership opportunities for income eligible public housing residents and housing choice voucher holders.

#### **SUMMARY & RECOMMENDATION**

The intent of this ordinance is to (i) declare as surplus real estate the 15 parcels of City-owned real estate listed below (the "Surplus Parcels") and (ii) to direct the sale of the Surplus Parcels to the Maggie Walker Community Land Trust ("MWCLT"), a 501(c) non-profit organization designated by the Richmond City Council as a "land back entity" pursuant to the Virginia Land Bank Entities Act, for the purpose of increasing affordable homeownership housing opportunities by making such real estate available for development by MWCLT, or through MWCLT in accordance with its mission.

MWCLT is a 501(c)(3) nonprofit organization that seeks to develop and maintain permanently affordable homeownership opportunities for low and moderate-income households. Using the Community Land Trust (CLT) model, the MWCLT creates homes that are sold to qualified buyers while retaining ownership of the land beneath the houses. These homes receive permanent subsidy that stays in the home and allows the home to be sold below market value to another income-qualified household. As an affordable alternative to renting, the CLT model allows families to build wealth through their monthly mortgage payments. In exchange for buying the house at a lower price, a CLT homeowner agrees to pass on the gift, and sell the home at a price that is affordable to someone in a similar financial situation. The new resale price is determined by the increase in the Richmond region's Area Median Income (AMI). (Source: <https://maggiewalkerclt.org/about/>) In addition CLT may also use a few of the parcels for community gardens as indicated on the list of parcels. Community gardens offer Richmonders the opportunity to grow their own herbs, vegetables and fruits and community gardens and if the parcel is large enough, the community garden may be a sustainable form of urban farming.

On February 26, 2018, the Richmond City Council unanimously adopted Ordinance No. 2017-196 (As Amended), which designated MWCLT as a “land bank entity” for the City of Richmond. Since 2018, the City has utilized the tax delinquent judicial sale process in order to facilitate MWCLT’s acquisition of multiple parcels in the City for the purpose of eliminating blight and making such property available for redevelopment in furtherance of MWCLT’s mission to develop and maintain permanently affordable housing. In this case, the Surplus Parcels are already owned by the City and are no longer needed for municipal or public purpose. Conveying the underutilized parcels from the City to MWCLT allows the real estate to better serve the community as it will be used for the important purpose of increasing affordable housing home-ownership opportunities within Richmond. It is the desire of the administration that these city-owned parcels be used to promote homeownership opportunities in partnership with the Richmond Redevelopment & Housing Authority for income eligible public housing residents and/or housing choice voucher holders that seek to become homeowners and are either willing or have participated in credit counselling and homeownership training as a pathway to wealth building and greater housing stability.

Staff finds that the proposed sale of certain City-owned real estate to the Maggie Walker Community Land Trust for the purpose of increasing affordable homeownership housing opportunities is supported by the Richmond 300 plan within Objective 14.3 “Create 10,000 new affordable housing units for low- and very low-income households over the next 10 years” (p.152) and Objective 14.9(d) “Analyze City-owned parcels that are located in neighborhoods that are conducive for low income homeownership opportunities and transfer to the Maggie Walker Community Land Trust.” (p. 155)

Therefore, staff recommends approval of the ordinance.

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## **FINDINGS OF FACT**

### **Proposed Use of the Property**

The sales price for each parcel shall be one dollar. There are 15 parcels to be conveyed to MWCLT for the purchase price of \$15.00. The assessed value of the land represents the City’s contribution in reducing the overall total development cost of each residential unit. The sale of each parcel shall be governed by a development agreement that incorporates appropriate provisions ensuring that each parcel is developed and utilized in accordance with MWCLT’s mission, including, at a minimum, the following requirements:

1. MWCLT shall developed each parcel for use as affordable housing or a community garden, subject to approval by the City’s Department of Housing and Community Development.
2. MWCLT shall submit to the City’s Department of Housing and Community Development (HCD) within six months after receipt of each parcel a development plan that indicates how many residential units will be developed on the parcel and whether MWCLT will be the developer of the parcel or whether they will seek proposals from other entities for the development of the parcel;
3. If the parcel is to be used as a community garden, then MWCLT shall submit to the City’s Department of Housing and Community Development (HCD) within the twelve months after

receipt of each parcel a fully executed agreement with a community organization that has agreed to develop and maintain the parcel as a community garden;

4. If a community garden has not been developed on or before twenty-four months on the conveyed parcel, then said parcel shall revert back to the City.

5. If a parcel is to be developed by MWCLT, then MWCLT shall submit to the City’s Department of HCD within twelve months after the conveyance of the parcel a timeline for the development of the residential units that indicates that construction will be begin on or before thirty-six months from date of conveyance;

6. If MWCLT has not started construction on or before thirty-six months on a conveyed parcel, then said parcel shall revert back to the City.

7. If a parcel is to be developed by another entity, then MWCLT shall submit to the City’s Department of HCD within twenty-four months a fully executed development agreement with the entity that includes a timeline for the development of the residential units that indicates that construction will be begin on or before thirty- six months from date of conveyance;

8. If the entity has not started construction on or before thirty-six months on a conveyed parcel, then said parcel shall revert back to the City.

9. If construction of the affordable housing has not received a Certificate of Occupancy from the City on or before 60 months on a conveyed parcel, then said parcel shall revert back to the City.

**Master Plan & Zoning**

Address	Richmond 300 Recommendation	Current Zoning
5913 Fergusson Road	Public Open Space	R-4 Single-Family Residential
3100 Alvis Avenue	Public Open Space	R-5 Single-Family Residential
429 Pollock Street	Residential	R-5 Single-Family Residential
410 Pollock Street	Residential	R-5 Single-Family Residential
431 Hazelhurst Avenue	Residential	R-5 Single-Family Residential
3201 Hazelhurst Avenue	Residential	R-5 Single-Family Residential
207 E Ladies Mile Road	Residential	R-5 Single-Family Residential
6117 Forest Hill Avenue	Residential	R-2 Single-Family Residential
6109 Forest Hill Avenue	Residential	R-2 Single-Family Residential
6101 Forest Hill Avenue	Residential	R-2 Single-Family Residential
1903 Semmes Avenue	Residential	B-3 General Business
1905 Semmes Avenue	Residential	B-3 General Business
3602 Delaware Avenue	Residential	R-5 Single-Family Residential
1501 Call Street	Residential	R-73 Multifamily Residential
4809 Old Warwick Road	Residential	R-4 Single-Family Residential

**Staff Contact:**

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