

Ordinance #2022-17  
2022 Ordinance Book, Page 67

**ORDINANCE AMENDING CHAPTERS 10, 26, AND 62 OF THE WINSTON-SALEM  
CITY CODE RELATING TO LIENS AND AFFORDABLE HOUSING**

BE IT ORDAINED, by the Mayor and Winston-Salem City Council as follows:

Section 1. Sec. 10-203. Procedure for correction of dwellings unfit for human habitation, subsection (g) Lien; cancellation or reduction of demolition and other remediation liens. is hereby amended to read as follows:

***“(g) Liens; cancellation or reduction of demolition and other remediation liens.***

- (1) *Liens.* The cost of such repairs, alterations, improvements, vacating and closing, including occupant relocation, removal, demolition, grading, filling, seeding, or securing and making safe by the housing conservation administrator and the actual cost of service of complaints and orders by publication shall be a lien in the nature of a special assessment as provided for in G.S. ch. 160, art. 10 against the real property upon which such cost was incurred. If the real property upon which the cost was incurred is located within the city limits, then the amount of the cost is also a lien on any other real property of the owner located within the city limits or within one mile thereof except for the owner's primary residence, unless of course the primary residence is the original property subject to the lien. The additional lien provided in this subsection is inferior to all prior liens and shall be collected as a money judgment. If the dwelling is removed or demolished by the administrator, he shall sell the materials of such dwelling and shall credit the proceeds of such sale against the cost of the removal or demolition, and any balance remaining shall be deposited in the superior court by the administrator, shall be secured in such manner as may be directed by such court, and shall be disbursed by such court to the persons found to be entitled thereto by final order or decree of such court.
- (2) ***Cancellation or reduction of demolition and other remediation liens in limited circumstances.***
  - a. The city manager may authorize the reduction or cancellation of the amount of the cost of repairs, alterations, or improvements; vacating and closing; securing, or removal or demolition, or other remediation by the administrator which is a lien against the real property upon which the cost was incurred as provided for in this article, or other appropriate provisions of law, in the following circumstances:
    1. When the owner of the property completes construction of a dwelling on the property to be used for affordable housing. The owner must also obtain and provide a certificate of compliance required by this article and agree to execute a declaration of restrictive covenant conditions limiting the use of the property for this purpose for a period of no less than ~~30 years~~ 15 years for single-family

housing and no less than 30 years for multifamily housing commencing with the date the certificate of compliance is issued under this article or certificate of occupancy is issued by the city/county inspections department, whichever occurs last.

2. When the owner of the property conveys the property subject to the lien to a person who completes construction of a dwelling on the property to be used for affordable housing, completion of construction shall be evidenced by a certificate of compliance issued by the city/county inspections department.
  - b. The city council may, in its discretion, reduce or cancel the cost described in this subsection, when the cost is past due, the owner offers to convey the property to the city and the city council agrees to accept the deed to the property in payment of the cost.
  - c. The city manager shall establish a policy to implement this subsection. The policy shall define "affordable housing," and contain criteria for which owners may apply for the reduction or cancellation of a lien under this subsection. The policy shall include other provisions designed to effectuate the purposes of this subsection. Such other provisions may include time limits for completion of construction of the dwelling, descriptions of covenants to be incorporated in the title to property conveyed to ensure it will be used for affordable housing; and requirements that a lien be in effect for a specified period of time before the manager will consider reducing or canceling a lien under this subsection. For each instance of exercising the authority to reduce or cancel a lien under this subsection, the city manager shall make a record of the reasons why such action is appropriate.”

Section 2. Sec. 10-223 Sec. 10-223. Procedure for correction of nonresidential buildings or structures for occupancy, subsection (i) Cancellation or reduction and other remediation liens in limited circumstances. is hereby amended to read as follows:

**“(i) *Cancellation or reduction of demolition and other remediation liens in limited circumstances.***

- (1) The city manager may authorize the reduction or cancellation of the amount of the cost of repairs, alterations, or improvements; vacating and closing; securing, or removal or demolition, or other remediation by the administrator which is a lien against the real property upon which the cost was incurred as provided for in this article, or other appropriate provisions of law, in the following circumstances:
  - a. When the owner of the property completes construction of a dwelling on the property to be used for affordable housing. The owner must also obtain and provide a certificate of compliance required by this article and agree to execute a declaration of restrictive covenant conditions limiting the use of the property for this purpose for a period of no less than ~~30 years~~ 15 years for single-family housing and no less than 30

- years for multifamily housing commencing with the date the certificate of compliance is issued under this article or certificate of occupancy is issued by the city/county inspections department, whichever occurs last.
- b. When the owner of the property conveys the property subject to the lien to a person who completes construction of a dwelling on the property to be used for affordable housing, completion of construction shall be evidenced by a certificate of compliance issued by the city/county inspections department.
- (2) The city council may, in its discretion, reduce or cancel the cost described in this subsection, when the cost is past due, the owner offers to convey the property to the city and the city council agrees to accept the deed to the property in payment of the cost.
- (3) The city manager shall establish a policy to implement this subsection. The policy shall define "affordable housing," and contain criteria for which owners may apply for the reduction or cancellation of a lien under this subsection. The policy shall include other provisions designed to effectuate the purposes of this subsection. Such other provisions may include time limits for completion of construction of the dwelling, descriptions of covenants to be incorporated in the title to property conveyed to ensure it will be used for affordable housing; and requirements that a lien be in effect for a specified period of time before the manager will consider reducing or canceling a lien under this subsection. For each instance of exercising the authority to reduce or cancel a lien under this subsection, the city manager shall make a record of the reasons why such action is appropriate."

Section 3. Sec. 26-17. Cancellation or reduction of nuisance abatement or sanitation liens assessed pursuant to G.S. 160A-193 and chapter 26 for affordable housing purposes. is hereby amended to read as follows:

**“Sec. 26-17. Cancellation or reduction of nuisance abatement or sanitation liens assessed pursuant to G.S. 160A-193 and chapter 26 for affordable housing purposes.**

- (a) The city manager may authorize the reduction or cancellation of the amount of a nuisance abatement or sanitation lien assessed pursuant to G.S. 160A-193 and chapter 26 which is a lien against the real property upon which the cost was incurred as provided by the aforementioned statute and code, in the following circumstances:
  - (1) When the owner of the property completes construction of a dwelling on the property to be used for affordable housing. The owner must also obtain and provide a certificate of compliance required by law and agree to execute a declaration of restrictive covenant conditions limiting the use of the property for this purpose for a period of no less than ~~30 years~~ 15 years for single-family housing and no less than 30 years for multifamily housing commencing with the date the certificate of compliance is issued

or certificate of occupancy is issued by the city/county inspections department, whichever occurs last.

- (2) When the owner of the property conveys the property subject to the lien to a person who completes construction of a dwelling on the property to be used for affordable housing, completion of construction shall be evidenced by a certificate of compliance issued by the city/county inspections department.
- (b) The city council may, in its discretion, reduce or cancel the cost described herein, when the cost is past due, the owner offers to convey the property to the city and the city council agrees to accept the deed to the property in payment of the cost.
- (c) The city manager shall establish a policy to implement this subsection. The policy shall define "affordable housing," and contain criteria for which owners may apply for the reduction or cancellation of a lien under this section. The policy shall include other provisions designed to effectuate the purposes of this section. Such other provisions may include time limits for completion of construction of the dwelling, descriptions of covenants to be incorporated in the title to property conveyed to ensure it will be used for affordable housing; and requirements that a lien be in effect for a specified period of time before the manager will consider reducing or canceling a lien under this section. For each instance of exercising the authority to reduce or cancel a lien under this subsection, the city manager shall make a record of the reasons why such action is appropriate."

Section 4. Sec. 62-10. Cancellation or reduction of nuisance abatement or sanitation liens assessed pursuant to G.S. 160A-193 and chapter 62 for affordable housing purposes. is hereby amended to read as follows:

**“Sec. 62-10. Cancellation or reduction of nuisance abatement or sanitation liens assessed pursuant to G.S. 160A-193 and chapter 62 for affordable housing purposes.**

- (a) The city manager may authorize the reduction or cancellation of the amount of a nuisance abatement or sanitation lien assessed pursuant to G.S. 160A-193 and chapter 62 which is a lien against the real property upon which the cost was incurred as provided by the aforementioned statute and code, in the following circumstances:
  - (1) When the owner of the property completes construction of a dwelling on the property to be used for affordable housing. The owner must also obtain and provide a certificate of compliance required by law and agree to execute a declaration of restrictive covenant conditions limiting the use of the property for this purpose for a period of no less than ~~30 years~~ 15 years for single-family housing and no less than 30 years for multifamily housing commencing with the date the certificate of compliance is issued or certificate of occupancy is issued by the city/county inspections department, whichever occurs last.
  - (2) When the owner of the property conveys the property subject to the lien to a person who completes construction of a dwelling on the property to be used for affordable housing, completion of construction shall be evidenced by a certificate of compliance issued by the city/county inspections department.

- (b) The city council may, in its discretion, reduce or cancel the cost described herein, when the cost is past due, the owner offers to convey the property to the city and the city council agrees to accept the deed to the property in payment of the cost.
- (c) The city manager shall establish a policy to implement this subsection. The policy shall define "affordable housing," and contain criteria for which owners may apply for the reduction or cancellation of a lien under this section. The policy shall include other provisions designed to effectuate the purposes of this section. Such other provisions may include time limits for completion of construction of the dwelling, descriptions of covenants to be incorporated in the title to property conveyed to ensure it will be used for affordable housing; and requirements that a lien be in effect for a specified period of time before the manager will consider reducing or canceling a lien under this section. For each instance of exercising the authority to reduce or cancel a lien under this subsection, the city manager shall make a record of the reasons why such action is appropriate."

Section 5. This ordinance shall become effective upon adoption.