

ORDINANCE AMENDING CHAPTER 2. ENTITLED ADMINISTRATION
TO CREATE THE CITY OF WINSTON-SALEM HOUSING JUSTICE ACT

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

Section 1. Section 2-8. City of Winston-Salem Housing Justice Act. is hereby created to read as follows:

“Section. 2-8. City of Winston-Salem Housing Justice Act (“Housing Act”)

(a) Purpose.

Housing is recognized as a basic need and the platform for economic mobility. A safe and stable home serves as the foundation for healthy families and is the nexus to thriving communities. The City of Winston-Salem Housing Justice Act is an anti-poverty initiative that is designed to reduce homelessness and provide equitable outcomes for city residents consistent with G.S. 160A-456. In effort to accomplish such, the city hereby establishes the Housing Act, which applies to residential and housing development projects constructed, developed, rehabilitated or renovated, in whole or part, with city funds, which funds may take the form of a direct, deferred or forgivable loan or grant.

(b) Definitions.

- (1) City funds include general fund dollars, bond funds as well as funds from state and federal sources that do not have use restrictions contrary hereto. City funds also include the provision of city-owned land at below market rate for affordable housing purposes.
- (2) Habitual violator is a person receiving city funds who has been determined by the city to have violated this Act two or more times.
- (3) Housing means any building or structure, or part thereof, used and occupied for human habitation or intended to be so used, including any accessory buildings and appurtenances belonging thereto or usually enjoyed therewith.
- (4) Person includes one or more individuals, partnerships, associations, corporations, labor organizations, legal representatives, mutual companies, joint stock companies, trusts, unincorporated organization(s), trustees, trustees in bankruptcy, receivers or any other legal or commercial entity. This term also includes a property owner(s), landlord(s), developer(s) and agent(s) thereof.
- (5) Sources of income shall include, but not be limited to, federal Housing Choice Vouchers, or other housing subsidy program whether paid directly to the program participant, landlord or other representative, financial assistance from any rental assistance program, Supplemental Security Income, Social Security, pension and other retirement benefits, alimony and child support.

(c) Prohibition against discrimination (Criminal Record).

- (1) No person receiving city funds for the construction, development, rehabilitation, or renovation of a residential or housing project shall deny an applicant, tenant or occupant housing which includes the sale, rental, re-occupancy or financing of housing, based solely upon the applicant's, tenant's or occupant's criminal record unless the conviction(s) is either misdemeanor or felony assault unless it occurred at or below the age of 18 and is more than 5 years old, communicating threats or illegal use of weapons "(exclusions") provided the exclusions do not result in a violation of the local, state or federal Fair Housing Act, as may be amended from time to time. This prohibition or restrictions shall last for a period of 10 years from the receipt of city funds. If the person receiving city funds believes that it is necessary to deny housing to an applicant, tenant or occupant based upon a conviction history of other offenses in order to protect his/her own property, safety and welfare or that of others and the city concurs with that opinion, then the city will not consider such denial a violation of this prohibition.
- (2) An error in a criminal background check might occur because, for example, it contains information that pertains to another person or is outdated. If an applicant, tenant or occupant is able to demonstrate an error in the criminal background report, then the recipient of city funds must conduct the eligibility determination based upon the corrected conviction history information to ensure its decision is not tainted by the previous error. If the recipient of city funds finds a direct relationship that still presents a safety concern or unreasonable risk even based upon the corrected information and intends to take an adverse action on that basis, it must notify the applicant, tenant or occupant in writing of said decision.

(d) Prohibition against discrimination (Sources of Income).

No person receiving city funds for the construction, development, rehabilitation, or renovation of a residential or housing development project shall deny an applicant, tenant or occupant housing, which includes the sale, rental, re-occupancy and financing of such housing, based upon the applicant's, tenant's or occupant's sources of income.

(e) Affordable Housing Component Twenty (20%) Percent.

A person receiving city funds for the construction, development, rehabilitation or renovation of an affordable housing project must set aside for a period of at least ten (10) years from the receipt of city forms which requirement will be set forth in the form of a declaration of restrictive covenants and conditions or similar agreement: (a) 5% of the total units to be leased to households who incomes are 50-80% of area median income, and (b) at least 15% of total units

to be leased to households whose incomes are 80-120% of area median income. If for some reason, these percentages cannot be supported by the proposed financing plan, the person may suggest, for the city's consideration, other combinations, that still support affordable housing as a part of the overall project. The city, in its sole and absolute discretion, may relax the aforementioned requirements if the proposed financing plan will not support the percentages set forth above.

(f) Enforcement.

Any tenant, applicant or occupant of housing who believes that he/she has been denied housing in violation of this Act or that the person receiving city funds has not complied with the provisions of this Act may file a complaint with the city's human relations department or any other department designated by the city manager or his/her designee. The complaint will be investigated by said department. Depending upon the outcome of said complaint, the violator will be subject to the remedies set forth below.

(g) Remedy.

Any person found to have violated the Housing Act will be ineligible to receive city funds in the future for a period of up to five (5) years as determined by the city manager or his/her designee. The city shall clawback from a habitual offender all or a portion of the city funds afforded a residential or housing project depending upon the severity of the violations and/or time remaining on the declaration of restrictive covenants and conditions.

(h) Severability.

The provisions of this section are severable, and, if any part of provision of this section shall be held void, the decision of the court so holding shall not affect or impair any of the remaining parts of this section.

Section 2. This ordinance shall become effective upon adoption.