

CHART REGARDING PROPOSED ORDINANCE CREATING SECTION 2-9. SALE OR LEASE OF CITY OWNED PROPERTY FOR AFFORDABLE HOUSING PROPOSES- 5.31.22

Existing language regarding the sale or lease of city owned property for affordable housing purposes	Prior draft ordinance language	Current proposed draft ordinance
<ul style="list-style-type: none"> No known ordinance or resolution directly on point establishing a policy or program regarding the sale or lease of city owned property for affordable housing. Various individual resolutions have been adopted over the years selling city owned property to various entities to create/provide affordable housing. 	<p><u>Objective:</u></p> <p>To create a program that is intentional about the <u>sale or lease of city owned properties</u> for the creation of affordable housing.</p>	<p><u>Objective:</u></p> <p>To create a program that is intentional about the <u>sale or lease of city owned properties</u> for the creation of affordable housing.</p>

	<p><u>Properties included:</u></p> <p>All city owned residential properties unless a waiver or exemption from the Program is granted by the Community Development/Housing/General Government Committee</p> <p><u>Terms: Affordability</u></p> <p>Unless otherwise provided, the Community Development Department will utilize the Department's and HUD's affordability guidelines, which may be amended from time to time, to determine affordability and define low-to-moderate income persons for purposes of this program.</p>	<p><u>Properties included:</u></p> <p>All city owned residential properties unless a waiver or exemption from the Program is granted by the Community Development/Housing/General Government Committee. Subject to the appropriate rezoning, commercial properties may be included as well.</p> <p><u>Terms: Affordability/New Definitions</u></p> <ol style="list-style-type: none"> (1) Affordable housing-housing that is designed, developed, and constructed or renovated to serve eligible households with an income that is no more than 80% of the area median income. (2) Market rate housing-housing that is designed, developed, and constructed or renovated to serve eligible households with an income that is 121% or more of the area median income. (3) Mixed income housing-housing that is designed, developed, and constructed or renovated to provide housing to households with an income that meets each of the following housing categories: (i) affordable housing; at least 65% of the units must serve households that fall into this category; (ii) workforce housing and (iii) market rate housing
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	<p><u>Targeted income groups: Multifamily</u></p> <ul style="list-style-type: none"> • Not specifically listed in the prior draft. 	<p><u>Targeted income groups: Multifamily</u></p> <ul style="list-style-type: none"> • The purchaser or lessee of city owned property for the provision of multifamily housing will be required to set aside sixty-five (65%) percent of the total units developed or renovated for affordable housing purposes. Of that sixty-five (65%) set aside: • Twenty (20%) percent of the units shall be set aside for eligible households with incomes at 30% and below of the area median income, • Thirty (30%) percent of the units shall be set aside eligible households with incomes at 31-50% of the area median income and • Fifty (50%) percent of the units shall be set aside for eligible households with incomes at 51-80% of the area median income. <p>The remaining thirty-five (35%) percent of the total number of units may be occupied or leased to persons meeting the income requirements for either workforce housing, market rate housing or a combination thereof.</p>

	<p><u>Targeted income groups:</u> <u>Single-family</u></p> <ul style="list-style-type: none"> • Not specifically listed in the prior draft. 	<p><u>Targeted income groups: Single-family</u></p> <ul style="list-style-type: none"> • The purchaser of city owned property for the provision of single-family housing (rental and home ownership) for affordable housing purposes will be required to set aside sixty-five (65%) percent of the single-family homes built for eligible households within the income requirements of affordable and workforce housing. • Of that required set aside for single-family housing (rental and home ownership), fifty-five (55%) percent must be affordable housing and the remaining ten (10%) percent must be workforce housing. • The remaining thirty-five (35%) percent of the single-family housing may be sold or leased to persons meeting the income requirements of either workforce housing, market rate housing or a combination thereof. • In the event a single lot is purchased by an individual for homeownership purposes, the purchaser must meet the income requirements of affordable or workforce housing as defined herein or provide housing, by sale or lease, to an eligible household meeting the income requirements of affordable or workforce housing as defined herein. • Unless otherwise prohibited by law, the city council, in its sole and absolute discretion, may relax the requirements of this ordinance, if the purchaser's proposed financing plan will not support the
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		<p>percentages set forth above. If a person receives city funds and purchases or leases city owned property, the higher standard set forth in the Affordable Housing Program ordinance shall apply.</p>
	<p><u>Affordability and Affordability Period (Deed Restriction)</u></p> <p>Unless otherwise provided, the property will be subject to the following affordability timeframes:</p> <ul style="list-style-type: none"> • Property sold to individual for homeownership. The affordability and other restrictions will run with the land for 30 years. • Property sold to develop/construct rental housing. The affordability and other restrictions will run with the land for 50 years. • Property leased to 	<p><u>Affordability and Affordability Period (Deed Restriction)</u></p> <p>Updated 5.31.22</p> <ul style="list-style-type: none"> • Property sold to individual(s) for homeownership. The affordability and other restrictions will run with the land for <u>at least 15 years instead of 30 years.</u> • Property sold or leased to develop/construct rental housing. The affordability and other restrictions will run with the land <u>at least 30 years instead of 50 (sale)/99(lease) years.</u>

	develop/construct rental housing. The affordability and other restrictions will run with the land for 99 years.	
	<p>Annual Inspections</p> <p>All properties subject to annual inspections and affordability review.</p>	<p>Annual Inspections</p> <p>Same</p>
		<p>Session law: 2021-44</p> <ul style="list-style-type: none"> • The City may convey properties for affordable housing purposes, with or without consideration, as determined by City Council, based upon Session Law 2021-44. • Each sale shall be subject to the restrictive covenants and conditions. • The deed conveying the city owned property shall contain language that provides that the city owned property shall revert to the city if it ceases to be used, prior to the expiration of the requisite time period, for increasing the supply of affordable housing for low- and moderate-income persons. • For purposes of this Program, persons who meet the income limits for affordable housing and workforce housing qualify as low-and-moderate income persons.

**CHART REGARDING PROPOSED ORDINANCE CREATING SECTION
2-10. CITY OF WINSTON-SALEM HOUSING JUSTICE ACT (“HJA”)**

Existing language regarding the sale or lease of city owned property for affordable housing purposes	Prior draft ordinance language	Current proposed draft ordinance
<ul style="list-style-type: none"> No known city ordinance or resolution establishing a Housing Justice Act 	<p><u>Objective:</u></p> <p>The Housing Justice Act is an anti-poverty initiative that is designed to reduce homelessness and eliminate barriers to housing such as criminal convictions, sources of income and lack of affordability.</p>	<p><u>Objective:</u></p> <p>Same</p>

	<p><u>Application</u></p> <p>Applies only to properties/projects that receive city funding, which includes general fund dollars, bond funds, federal and state funds</p>	<p><u>Application</u></p> <p>same</p>
	<p><u>Definitions</u></p> <p>Same definitions provided in the ordinance regarding the sale or lease of city owned property</p>	<p><u>Definitions</u></p> <p>Same definitions provided in the revised ordinance regarding the sale or lease of city owned property.</p>
	<p><u>Criminal Records</u></p> <p>Prohibits using a criminal record as the sole bases for denying housing, unless the conviction was for assault, communicating threats or illegal use of weapons. Restriction expires after 10 years.</p>	<p><u>Criminal Records</u></p> <p>same</p>
	<p><u>Sources of Income</u></p> <p>Prohibits housing discrimination based upon sources of income.</p> <p>Source of income shall include, but are not be limited to, financial assistance from any rental assistance program,</p>	<p><u>Sources of Income</u></p> <p>same</p>

	<p>Supplemental Security Income, Social Security, pension and other retirement benefits, alimony, child support, federal Housing Choice Vouchers, or other housing subsidy program whether paid directly to the program participant, landlord or other representative.</p>	
<p><u>Affordability Requirement</u></p> <p>Resolution from 2015 provides for a 10% set aside in the following manner:</p> <ul style="list-style-type: none"> • At least 5% of the total units must be leased to households whose incomes are 50-80% of the area median income • At least 5% of the total units must be leased to households whose incomes are 80-120% of area median income <p>Fifteen-year requirement</p>	<p><u>Affordability Requirement</u></p> <p>Prior draft of the HJA provides for a 20% set aside in the following manner:</p> <ul style="list-style-type: none"> • At least 5% of the total units must be leased to households whose incomes are 50-80% of the area median income • At least 15% of the total units must be leased to households whose incomes are 80-120% of area median income <p>Fifteen-year requirement</p>	<p><u>Affordability Requirement</u></p> <p>Revised draft ordinance requires 33% set aside in the following manner:</p> <ul style="list-style-type: none"> • ten (10%) percent of the total units must be made available for eligible households with incomes of no more than thirty (30%) percent of the area median income; • twenty (20%) percent of the total units must be made available for eligible households with incomes between 31-50% of the area median income; and • seventy (70%) percent of the total units must be made available for eligible households with incomes between 51-80% of the area median income. <p>The remaining 67% make be workforce housing, market rate housing or a combination thereof.</p>

		<p>Updated 5.31.22</p> <p>At least fifteen years for single-family housing and at least 30 years for multifamily housing instead of 30 years for both.</p> <p>Unless otherwise prohibited by law, the city council, in its sole and absolute discretion, may relax the requirements if the proposed financing plan will not support the percentages outlined in the ordinance.</p>
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