CITY COUNCIL RESEARCH DIVISION LEGISLATIVE SUMMARY

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Bill Type and Number: Ordinance 2022-656

Introducer/Sponsor(s): Council Member Dennis

Date of Introduction: August 24, 2022

Committee(s) of Reference: F, NCSPHS, R

Date of Analysis: August 25, 2022

Type of Action: Ordinance Code amendment

Bill Summary: The bill amends Ordinance Code Chapter 122 – Public Property – to make several revisions to Part 4 – Real Property, Section 122.423 – Disposition for affordable housing. The revisions include numerous clarifications of terms. The bill deletes "side lots for adjacent owners, pocket parks" as allowable purposes for which donated land may be used. It adds a requirement that properties posted to the affordable housing donation inventory list may only be donated to entities with prior experience, as determined by the Housing and Community Development Division, in constructing or rehabilitating affordable housing or other uses supportive of affordable housing. It adds a provision that the determination of whether a lot is "buildable" shall be made by the Director of the Planning and Development Department or their designee.

The bill lengthens the time frame by which a donee agency must develop the property for affordable housing purposes from 2 years to 4 years, adds a requirement that the donee agency must provide the City with evidence verifying that the housing produced meets the definition of "affordable", and prohibits a donee agency from subsequently re-conveying the property before the affordable housing commitment has been met. It adds a provision that, in the event a donee does not produce affordable housing as intended on the donated property, the City may elect, among other available options, to either exercise its reversion rights and reclaim the property or may invoice the donee for the current assessed value of the property. The bill provides that the Mayor or his designee may grant project completion date time extensions to donees who received affordable housing property donations from the City between the effective date of Ordinance 2018-871-E and the effective date of this ordinance, which extensions may not exceed 2 years from the initial 2-year completion date requirement.

Background Information: The City annually develops a list of surplus properties that may be suitable for the development of affordable housing and offers those properties for sale or donation to entities that commit to rehabilitating existing or constructing new affordable housing on those properties. There have been some difficulties in recent years with donated properties sitting undeveloped for years after the conveyance or otherwise not being used for the purpose intended. This ordinance clarifies and tightens regulations for use of these properties.

Policy Impact Area: Use of City-donated properties for affordable housing purposes

Fiscal Impact: None

Analyst: Clements