Introduced by Council Member Dennis:

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ORDINANCE 2022-656-W

AN ORDINANCE CONCERNING THE DISPOSITION OF AFFORDABLE HOUSING; AMENDING SECTION 122.423 (DISPOSITION FOR AFFORDABLE HOUSING), SUBPART B (REAL PROPERTY DISPOSITIONS AND EXCHANGES), PART (REAL PROPERTY), CHAPTER 122 (PUBLIC PROPERTY), ORDINANCE CODE; AUTHORIZING EXTENSIONS FOR CERTAIN GRANTEES OF DONATED PROPERTIES TO COMPLY WITH THEDONATION RESTRICTIONS IN SECTION 122.423(C), ORDINANCE CODE, TO CONSTRUCT OR REHABILITATE AFFORDABLE FOR HOUSING; PROVIDING CODIFICATION INSTRUCTIONS; PROVIDING AN EFFECTIVE DATE.

BE IT ORDAINED by the Council of the City of Jacksonville:

Section 1. Amending Section 122.423 (Disposition for affordable housing), Subpart B (Real Property Dispositions and Exchanges), Part 4 (Real Property), Chapter 122 (Public Property), Ordinance Code. Section 122.423 (Disposition for affordable housing), Subpart B (Real Property Dispositions and Exchanges), Part 4 (Real Property), Chapter 122 (Public Property), Ordinance Code, is hereby amended as follows:

#### CHAPTER 122. PUBLIC PROPERTY

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### PART 4. REAL PROPERTY

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#### SUBPART B. REAL PROPERTY DISPOSITIONS AND EXCHANGES

# Sec. 122.423. - Disposition for affordable housing.

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- (a) Suitability for affordable housing. Surplus property appropriate for affordable housing and shall be placed on the affordable housing inventory list if it satisfies the criteria below, and the Real Estate Division may sell or donate the property for use as affordable housing. All sales proceeds of property for use as affordable housing shall be deposited in the Affordable Housing Special Revenue Fund at Section 111.940, Ordinance Code, for affordable housing purposes. Surplus property that does not satisfy the criteria below is not subject to the provisions of this section. Affordable housing sales or donations may be made for single family development, multi-family development, side lots for adjacent owners, pocket parks, neighborhood supported commercial uses, and similar uses supportive of affordable housing. For purposes of this section, "Affordable" with respect to residential use has the meaning ascribed to it in F.S. § 420.0004, as amended from time to time. The criteria to determine whether property is appropriate for affordable housing are:
  - (1) The property is not within the jurisdiction of allocated pursuant to Section 122.415 of the Code to a City agency, board or commission, including the Downtown Investment Authority or the Office of Economic Development, other than the Real Estate Division.
  - (2) The parcel has legal access to a public road; and
  - (3) The parcel is located within 500 feet of a has public water and sewer line or an existing septic system available within 500 feet of the parcel as confirmed by JEA; and
  - (4) The parcel is buildable <u>as determined by the Director of the</u>
    Planning and Development Department or his designee; and
  - (5) Current or planned zoning of the parcel is AGR (Agricultural),
    CRO (Commercial Residential Office), RHD (Residential High

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Density) RLD (Residential Low Density), RMD (Residential Medium Density), RR (Rural Residential), RO (Residential/Office), or a within a Planned Unit Development with residential entitlements as determined by the Director of the Planning and Development Department or his designee; and

- (6) The parcel has not previously been used for a right-of-way, wasteland, or retention pond; and
- (7) The parcel is not designated or located in Flood Zones "A" or "AE".

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(c) Donation for affordable housing. For a period of 90 days after posting of the Council-approved affordable housing inventory list, the properties on the list may be donated to entities with prior experience, as determined by the Housing and Community Development Division ("Division"), in constructing or rehabilitating affordable housing or other uses supportive of affordable housing ("donee") on a first come-first served basis. Any donation pursuant to this section shall contain with a restriction that requires the development of the property (i) as permanent affordable housing within two four years after the donation as evidenced by receipt of a certificate of occupancy; or (ii) for other uses supportive of affordable housing (e.g., side lots for adjacent owners, pocket parks, neighborhood supported commercial uses, etc.). "Affordable housing" is that housing affordable by a person or family whose then-current family income does not exceed 140 percent of the then-current area median gross income for the City of Jacksonville, Duval County, Florida Standard Metropolitan Statistical Area as determined by the Secretary of the United States Department of the Treasury, to be verified by the Housing and Community Development Division at each conveyance of the property. The donee shall execute any necessary transaction documents required by the Division to effect the donation. The donee shall also provide the Division with evidence verifying that housing constructed or rehabilitated in accordance with this subsection is "affordable" pursuant to F.S. § 420.0004, prior to the donee's conveyance of the property to a qualifying individual homeowner. Property donated to a donee pursuant to this subsection may not be subsequently transferred by such donee prior to the donee's compliance with the donation restriction. If the donee fails to comply with the donation restriction in this subsection, the City, acting through the Mayor or his designee, in addition to all other remedies available at law, shall have the right, at its option, to either: (1) exercise a right of re-entry reverter on the donated property; or (2) invoice the donee for the current assessed value of the donated property as shown on the tax rolls. Upon an election by the City to re-enter and take possession of the donated property pursuant to a right of reentry reverter, the donee shall be required to convey the donated property by warranty deed to the City free and clear of title and survey defects, at no cost to the City. Upon an election by the City to invoice the donee for the current assessed value of the donated property, the donee shall be given a reasonable period of time to pay the invoice. The Chief of Housing and Community Development Division may promulgate additional rules and regulations not inconsistent with this section to further protect the City's interest in properties donated pursuant to this section. Donated properties Properties remaining on the affordable housing inventory list after the period for donations has expired or reverting to the City pursuant to the City's right of reentry reverter for failure to comply with a donation restriction $_{\mathcal{T}}$  may be offered for sale for affordable housing through public auction or by accepting competitive bids. Properties on the affordable housing inventory list remaining unsold 180 days after the period for donations has expired or after a reversion has occurred are shall be deemed not appropriate unsuitable for affordable housing and may be disposed of by the Division in any manner authorized by

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the provisions of this Code.

Section 2. Extensions authorized for prior donated properties.

The Mayor, or his designee, is authorized to execute any documents necessary to grant time extensions to grantees of prior donated properties to comply with the donation restrictions in Section 122.423, Ordinance Code. Such extensions shall (i) only apply to grantees who received donated properties pursuant to Section 122.423, Ordinance Code, after the effective date of Ordinance 2018-871-E and prior to the effective date of this ordinance; and (ii) not exceed two (2) years from the initial two-year completion requirement date.

Section 3. Codification Instructions. The Codifier and the Office of General Counsel are authorized to make all chapter and division "tables of contents" consistent with the changes set forth herein. Such editorial changes and any others necessary to make the Ordinance Code consistent with the intent of this legislation are approved and directed herein, and changes to the Ordinance Code shall be made forthwith and when inconsistencies are discovered.

Section 4. Effective Date. This Ordinance shall become effective upon signature by the Mayor or upon becoming effective without the Mayor's signature.

Form Approved:

# /s/ Lawsikia J. Hodges

25 Office of General Counsel

26 Legislation Prepared by: Lawsikia J. Hodges

27 GC-#1458463-v5-CM Dennis - Section 122 423 Revisions (Affordable Housing).docx