

TOWN OF RICHMOND
AFFORDABLE HOUSING COMMITTEE

**Regulations for Making Recommendations to the Town Council
on Allocations and Awards of Funds and Real Property**

The Richmond Affordable Housing Committee (“the Committee”) is responsible for making recommendations to the Town Council concerning the allocation and award of money in the affordable housing fund established by Ch. 3.08 of the Code of Ordinances, and for making a recommendation(s) to the Town Council concerning the use of town property for production of low or moderate income housing. These regulations establish guidelines for how recommendations are made.

A. Conditions applicable to use of fees in lieu of construction of inclusionary housing

The following conditions apply to the allocation and expenditure of fees paid in lieu of construction of low or moderate income housing pursuant to Ch. 18.18 of the zoning ordinance:

1. The funds must be allocated or awarded for a specific project within two years of the date the funds were received.
2. The funds must be used for production of housing for families with household incomes of 80% or less of the area median income.

B. Eligibility for cash awards

1. Nonprofit community development corporations, nonprofit housing development organizations, for-profit housing developers, and owners of property where a minimum of 50 percent of all low and moderate income housing units will be constructed are eligible to apply for monetary awards for the production of low or moderate income housing. The funds may be used for construction of new low or moderate income housing or renovation or rehabilitation of existing structures that will be occupied by low or moderate income families.
2. Nonprofit community development corporations and nonprofit housing development organizations also are eligible to apply for awards to cover predevelopment costs including, but not limited to, appraisals, architectural, engineering, and legal services, environmental site assessments, and fees to engage certified monitoring agents.

C. Applications for monetary awards

1. Developers of residential land development projects shall submit to the Planning Department four additional copies of all the application materials required by Article 15 of the Land Development and Subdivision Regulations.
2. Applicants who are building or renovating one single-family or one two-family house shall submit to the Planning Department six copies of the complete building permit application, including site plan, and a narrative explaining the scope of the project and the need for financial assistance. The committee may request additional information.
3. Applications may be made to the Planning Department at any time before or during the permitting and construction period. Applications must be received no later than six months after a certificate of use and occupancy has been issued for every dwelling unit.

D. Evaluation of applications for monetary awards

1. When making a recommendation to the Town Council for allocation of money from the affordable housing fund, the committee shall consider the following criteria:
 - a) The extent to which the project is consistent with the goals and objectives of the housing element of the Comprehensive Community Plan.
 - b) The number of low or moderate income dwelling units that will be produced in relation to the amount of money requested.
 - c) Whether the project has applied for, or has received, a subsidy from any other source, and if so, whether eligibility for that subsidy depends on receipt of money from the affordable housing fund.
 - d) If the project has not yet been approved, the anticipated date of final approval.
 - e) Whether other applications for funding are pending, and if so, whether the competing projects would make better use of the money in the fund.
 - f) Any other specific factors that the committee considers relevant.
2. The committee's recommendation to the Town Council shall be in writing and shall include a description of the project and the reasons why the recommendation is being made.

E. Receipt of monetary awards

1. All monetary awards shall be in the form of reimbursement for eligible expenses incurred.
2. To receive a monetary award, a successful applicant must submit to the Planning Department:
 - a) A certificate of use and occupancy for every dwelling unit.
 - b) Copies of sale or rental affordability restrictions recorded in the Richmond land evidence records for each dwelling unit. The affordability shall be guaranteed for at least 99 years from the date of initial occupancy.
 - c) Itemized invoices for all expenses for which reimbursement is sought.

F. Use of real property donated or acquired for the production of low or moderate income housing

1. If real property is donated to the town for the production of low or moderate income housing, or if the town acquires real property for the purpose of increasing the number of low or moderate income dwelling units, the committee shall make a written recommendation to the Town Council concerning use of the property. The committee should make such a recommendation within one year of the date the property was conveyed to the town.
2. The committee may request proposals for use of the property from nonprofit entities who intend to construct residential developments in which all the dwelling units will be reserved for occupancy by low or moderate income household for at least 99 years from the date of initial occupancy.
3. When making a recommendation to the Town Council concerning conveyance of real property to a nonprofit entity, the committee shall consider the following criteria:
 - a) The extent to which the project is consistent with the goals and objectives of the housing element of the Comprehensive Community Plan.
 - b) Whether the applicant has obtained or expects to obtain a subsidy for construction of the low or moderate income dwelling units and if so, whether eligibility for that subsidy depends on the conveyance of the real property to the applicant.

4. If neither the town nor any nonprofit entity proposes a viable plan for construction of low or moderate income housing on the property, the committee may recommend to the Town Council that the property be sold and the proceeds deposited in the affordable housing fund.

G. Conveyance of real property to nonprofit entities

If the Town Council votes to convey real property to a nonprofit entity for the production of low or moderate income housing, the town should enter into a purchase and sale agreement with the nonprofit entity that includes the specific conditions under which the property is being conveyed. The conditions must remain enforceable after conveyance of a deed. The committee may recommend specific conditions that should apply to each such conveyance.

Date of Adoption:
September 20, 2021