

ORDINANCE NO. 23-A.2()

AN ORDINANCE TO AMEND THE CODE OF THE COUNTY OF ALBEMARLE, VIRGINIA BY ADDING APPENDIX A.2, GRANTS OR LOANS FOR AFFORDABLE HOUSING

BE IT ORDAINED by the Board of Supervisors of the County of Albemarle, Virginia, that Appendix A.2, Grants or Loans for Affordable Housing is hereby added to the Code of the County of Albemarle, Virginia as follows:

By Adding:

Appendix A.2, Grants or Loans for Affordable Housing

Sec. A.2-200 Short title.

Sec. A.2-201 Purpose.

Sec. A.2-202 Definitions

Sec. A.2-203 Authority to make grants or loans.

Sec. A.2-204 Conditions and restrictions.

Sec. A.2-205 Administration by the County Executive; approval of certain loans and new programs by the Board of Supervisors.

Appendix A.2 Grants or Loans for Affordable Housing

Sec. A.2-200 Short title.

This appendix may be known and cited as the "affordable housing grant and loan program."

Sec. A.2-201 Purpose.

The purpose of this appendix is to enable the County of Albemarle to make grants or loans to owners of residential rental property occupied, or to be occupied, by persons of low and moderate income, for the purpose of rehabilitating or producing such property, and to make such grants or loans for the benefit of certain owner-occupied property. The preservation of existing housing in safe and sanitary condition and the production of new housing for persons of low and moderate income are public purposes and uses for which public money may be spent pursuant to state enabling authority.

Sec. A.2-202 Definitions.

For the purpose of this appendix, the following words and phrases have the meaning given to them in this section except where the context indicates a different meaning.

- (A) "Applicant" means an owner of residential rental property, or a person or entity that seeks to improve certain owner-occupied dwelling units, who submits a completed application in accordance with any loan or grant program guidelines adopted by the Board of Supervisors under this appendix, as amended and as applicable.
- (B) "Loan" means funds provided to an applicant under this appendix as a loan secured by a Deed of Trust to ensure repayment of the loan, and to ensure compliance with other

conditions of the loan set forth in this appendix, to be used for the purposes set forth in this appendix.

(C) "Grant" means funds provided to an applicant under this appendix, with conditions set forth in this appendix and (where applicable) a performance agreement, to be used for the purposes set forth in this appendix.

(D) "Low- and Moderate-Income Persons" means persons or families whose combined income is:

(i) for purposes of rental properties, 60% or less of the Annual Median Income as determined by the United States Department of Housing and Urban Development for the Charlottesville Metropolitan Area, or

(ii) for purposes of owner-occupied properties, 80% or less of the Annual Median Income as determined by the United States Department of Housing and Urban Development for the Charlottesville Metropolitan Area.

Sec. A.2-203 Authority to make grants or loans.

The County may make grants or loans to owners of residential rental property occupied, or to be occupied, by persons of low- and moderate-income, or for the benefit of certain owner-occupied property, for the purposes set forth in this appendix. Such loans or grants will be subject to the conditions and restrictions set forth in this appendix.

Sec. A.2-204 Conditions and restrictions.

(A) The County will condition any grant or loan on the applicant providing a minimum of 20 percent of the rental units for low- and moderate-income persons, as defined in the County's Housing Policy, for a minimum of 30 years, and (for loans) upon granting a deed of trust on the rental property for which the loan is made to secure repayment of the loan and/or compliance with the conditions and restrictions of the loan.

(B) The County may provide grants or loans for site improvements essential to the development, preservation, or rehabilitation planned.

(C) The County may provide grants or loans to owners or occupants to develop, preserve, and upgrade apartment buildings; to improve health and safety; to conserve energy; to prevent erosion; to enhance the neighborhood; and to reduce displacement of low- and moderate-income residents of the property.

(D) The County may provide that the value of grant or loan assistance given by the County under subsections (B) and (C) be proportionate to the number of dwelling units rendered by the owner at reduced rents for persons of low- or moderate-income.

(E) The County may make loans or grants of local funds to individuals for the purpose of rehabilitating owner-occupied residences or assisting in the purchase of an owner-occupied residence in designated conservation or rehabilitation districts. Any such loans or grants will

be applied using the income guidelines issued by the Virginia Housing Development Authority for use in its single-family mortgage loan program financed with bonds on which the interest is exempt from federal income taxation. Financial institutions, as defined in Virginia Code § 6.2-204, will be offered the opportunity to participate in loans made under this subsection.

Sec. A.2-205 Administration by the County Executive; approval of certain loans and programs by the Board of Supervisors.

The grants and loans provided under this appendix to owners of residential rental property for the production or repair of residential rental property, or for the benefit of certain owner-occupied property, will be administered by the County Executive or his/her designee in accordance with the purpose and provisions of this appendix. The County Executive may adopt rules and regulations to ensure compliance with the integrity and legislative intent of this appendix, including but not limited to application process, use of funds, application review criteria, funding priority, application submission and review process, submission criteria, and required documentation. Any loan or grant program authorized by the Board of Supervisors under this appendix will be regulated and administered in accordance with the guidelines adopted by the Board of Supervisors at the time of establishment of such program.

(Ord. 23-A.2(), 5-17-23, effective 7-1-23)

State law reference—Va. Code § 15.2-958.

I, Claudette K. Borgersen, do hereby certify that the foregoing writing is a true, correct copy of an Ordinance duly adopted by the Board of Supervisors of Albemarle County, Virginia, by a vote of _____ to _____, as recorded below, at a regular meeting held on

_____.

Clerk, Board of County Supervisors

	Aye	Nay
Mr. Andrews	_____	_____
Mr. Gallaway	_____	_____
Ms. LaPisto-Kirtley	_____	_____
Ms. Mallek	_____	_____
Ms. McKeel	_____	_____
Ms. Price	_____	_____