

**RICHLAND COUNTY**

**AMENDED**

**DEVELOPMENT & SERVICES  
COMMITTEE AGENDA**



**Tuesday, MAY 25, 2021**

**5:00 PM**

**ZOOM MEETING**

**The Honorable Allison Terracio, Chair**

**County Council District 5**

**The Honorable Derrek Pugh**

**County Council District 2**

**The Honorable Gretchen Barron**

**County Council District 7**

**The Honorable Cheryl English**

**County Council District 10**

**The Honorable Chakisse Newton**

**County Council District 11**

# RICHLAND COUNTY COUNCIL 2021



Bill Malinowski  
District 1  
2018-2022



Derrek Pugh  
District 2  
2020-2024



Yvonne McBride  
District 3  
2020-2024



Paul Livingston  
District 4  
2018-2022



Allison Terracio  
District 5  
2018-2022



Joe Walker III  
District 6  
2018-2022



Gretchen Barron  
District 7  
2020-2024



Overture Walker  
District 8  
2020-2024



Jessica Mackey  
District 9  
2020-2024



Cheryl English  
District 10  
2020-2024



Chakisse Newton  
District 11  
2018-2022





**AMENDED**

Richland County Development & Services Committee

May 25, 2021 - 5:00 PM  
Zoom Meeting

1. **CALL TO ORDER** The Honorable Allison Terracio
2. **APPROVAL OF MINUTES** The Honorable Allison Terracio
  - a. Regular Session: April 27, 2021 [PAGES 7-9]
3. **ADOPTION OF AGENDA** The Honorable Allison Terracio
4. **ITEMS FOR ACTION** The Honorable Allison Terracio
  - a. FY2022 Dirt Road Paving Project List [PAGES 10-23]
5. **ITEMS FOR PRELIMINARY ACTION**
  - a. I move to evaluate affordable housing options to include the option of establishing an Affordable Housing Trust Fund for Richland County as a benefit to the public. Housing is considered to be “affordable” when 30% or less of one’s income is spent on housing and utilities. In Richland County, nearly half of renters pay more than a third of their income on rent and utilities [TERRACIO] [PAGES 24-98]
6. **ITEMS FOR DISCUSSION**
  - a. I move to authorize the County Attorney to take any and all necessary actions, including condemnation proceedings, to acquire ownership of the roadway parcels of Aiken Hunt Circle and Oak Brook Drive that are currently not in the County’s road maintenance program. These parcels are located in the Wildewood Subdivision, and the current owner has been nonresponsive to prior requests by the Department of Public Works to acquire the roadway parcels. [MACKEY]

7. **ITEMS PENDING ANALYSIS: NO ACTION REQUIRED**

The Honorable Allison Terracio

- a. I move to direct the County Attorney to work with the County Administrator to research and draft an absentee landlord ordinance. The ordinance should provide potential remedies for individuals who violate county ordinances and provide, via supplemental documentation, a comprehensive review of the legal impacts [potentially] associated with the adoption of such an ordinance. [NEWTON and DICKERSON]

***\*\*Status Update: There are no updates available at this time. Staff continues efforts as outlined in previous updates***

- b. Amend the County's current ordinance, in order to allow lighting on Broad River Road [DICKERSON]

***\*\*Status Update: There are no updates available at this time.***

8. **ADJOURNMENT**

The Honorable Allison Terracio



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Development and Services  
April 27, 2021 -5:00 PM  
Zoom Meeting  
2020 Hampton Street, Columbia, SC 29201

COMMITTEE MEMBERS PRESENT: Allison Terracio, Chair, Derrek Pugh, Gretchen Barron, Cheryl English, and Chakisse Newton.

OTHERS PRESENT: Bill Malinowski, Jesica Mackey, Bill Malinowski, Michelle Onley, Leonardo Brown, Tamar Black, Kyle Holsclaw, Ashiya Myers, Mike Zaprzalka, Mike Maloney, Clayton Voignier, John Thompson, Elizabeth McLean, Lori Thomas, Randy Pruitt, Stacey Hamm, Michael Byrd, Dante Roberts, Dale Welch, Lauren Hogan, Dwight Hanna, Geo Price, Andrea Mathis, Ronaldo Myers, and Brian Crooks

1. **CALL TO ORDER** – Ms. Terracio called the meeting to order at approximately 5:00 PM.

2. **APPROVAL OF MINUTES**

a. Regular Session: March 23, 2021 – Ms. Barron moved, seconded by Ms. English, to approve the minutes as distributed.

In Favor: Pugh, Terracio, Barron, English, and Newton

The vote in favor was unanimous

3. **ADOPTION OF AGENDA** – Mr. Pugh moved, seconded by Ms. Barron, to adopt the agenda as distributed.

In Favor: Pugh, Terracio, Barron, English, and Newton.

The vote in favor was unanimous.

4. **ITEMS PENDING ANALYSIS: NO ACTION REQUIRED**

a. **I move to evaluate affordable housing options to include the option of establishing an Affordable Housing Trust Fund for Richland County as a benefit to the public. Housing is considered to be “affordable” when 30% or less of one’s income is spent on housing and utilities. In Richland County, nearly half of renters pay more than a third of their income on rent and utilities[Terracio]** – Ms.

Terracio noted she had an update from her work with the Columbia Affordable Housing Task Force. She shared the task force’s written report with Council members. There is also a request to have Brian Grady with the South Carolina State Housing to speak to Council during the next scheduled committee meeting.

Mr. Livingston stated he would share the documents he received regarding affordable housing from MORE Justice with Council and staff.

Development & Service Committee  
April 27, 2021

-1-

Ms. Terracio requested those items be included in the next agenda packet.

Ms. Livingston responded in the affirmative.

- b. **I move to direct the County Attorney to work with the County Administrator to research and draft an absentee landlord ordinance. The ordinance should provide potential remedies for individuals who violate county ordinances and provide, via supplemental documentation, a comprehensive review of the legal impacts [potentially] associated with the adoption of such an ordinance. [NEWTON and DICKERSON]** – Ms. Terracio noted, based on her last conversation with the Administrator, there was supposed to be a conversation with the Acting County Attorney.

Ms. McLean responded she believes Mike Zaprzalka had put together an update. She believes we have pulled back on this ordinance and tried to pare it down and make it more about typical nuisance issues at rental properties. Staff has taken out the portions related to the building code violations, and need confirmation that is the direction Council and Ms. Newton wants to go. We believe this ordinance deals with issues like weeds and rank vegetation, Sheriff's Department frequently coming out to the property, noise violations, and such other nuisance type violations. The violations are based on a points system similar to what the City did, although the County's is a little bit different. If this is the way Council wants to go, staff will get together and put together a cost analysis on what it would take from a departmental level, who would need to get involved, how much staff would be needed, and get feedback from the Sheriff's Department. The Sheriff's Department had some issues with staff, as well as how the counting system worked. Since people do not go to court quickly, it can take over a year before somebody is found guilty of these violations. She noted staff is looking for guidance as to where to go from here.

Ms. Terracio stated the constituents from District Five would support something where a consequence could be felt swiftly enough it would incentivize the property owner or the renter to change their behaviors and/or actions. For example, university students renting properties in Rosewood or Olympia are having parties that are a nuisance to the community. By the time consequences would be felt, the residents would be gone.

Ms. English inquired about the enforceability and effectiveness of the ordinance if the person was in another state by the end of the year. She inquired if the citation would be presented to the homeowner or renter.

Ms. Newton stated, as the maker of the motion, her intention for this motion is there are a lot of properties where there are renters who are violating County ordinances on a regular basis, but do not feel incentivized to correct because they do not live there. The question is how we make sure the property owners have skin in the game. If we cannot have the tenants do better, perhaps the landlord would be motivated to do so. She noted the working group has identified a lot of challenges with the ordinances, and she would be open to correcting those challenges. She noted on p. 15, Section 16-72(b), states, "Before a rental permit can be granted, the owner or landlord shall certify that the subject property complies with the relevant International Property Maintenance Code for minimum building code standards of residential properties in Richland County." She inquired if that was left in by mistake or was it left in on purpose.

Ms. McLean responded the language was left in on purpose as another way to cite the landowner. It could easily be struck from the ordinance.

Ms. Newton noted, at one point, in the original draft it was very heavy toward inspections. She inquired, since Section 16-7(b) is just self-certification, does it increase the cost of implementation of the program.

Ms. McLean responded she does not think it would increase the cost. If a renter came back and complained about their landlord not fixing the property, and the County had to do an inspection, it would give the County another way to cite the landowner. It is not the County's intention to go out and look at the property to make sure it is in compliance.

Ms. Newton inquired, if staff envisions tenants reporting landowners for code violations. She noted that could add a component that is slightly different, and she wants to be clear on the scope.

**Development & Service Committee  
April 27, 2021**

Ms. McLean responded she does not see why a tenant could not call attention to weeds and rank vegetation if it is a part of their lease agreement. She supposes the renter could file a complaint, but she does not know how often that would happen. Usually the tenants are the violators, not the landowners.

Ms. Newton noted, when the workgroup comes back together, she would love to look at the timeframe of how we are doing this. Depending on the terms of the lease, you could have a situation where you have a landlord who repeatedly has tenants that violate the County's ordinances, but due to when the leases expire, they never have any consequences or motivation to do better.

Ms. Terracio noted the reason this motion came about was because of the behaviors on the part of the renter(s). Anything the County can do to protect the rights of renters to have decent places to live, and hold landlords accountable, would be beneficial to the citizens of Richland County.

Ms. Newton stated, when staff is evaluating this, as we deal with issues about property and property management, there are a lot of complexities. She wanted to ensure that renter's rights are also protected. Renter's rights was not really the intent of this motion. If the mechanisms of enforcement are different, staff should have the latitude to recommend a separate ordinance to address the renter's rights. It might not be necessary, but she noted this was delayed before because it veered into a different category. Therefore, if we are going to discuss mechanisms to make landlords repair things for tenants, those issues might need to be addressed separately.

5. **ADJOURNMENT** – The meeting adjourned at approximately 5:31PM.



**Agenda Briefing**

<b>Prepared by:</b>	Stephen Staley, PE		<b>Title:</b>	County Engineer	
<b>Department:</b>	Public Works	<b>Division:</b>	Engineering		
<b>Date Prepared:</b>	May 07, 2021	<b>Meeting Date:</b>	May 25, 2021		
<b>Legal Review</b>	Elizabeth McLean via email		<b>Date:</b>	May 11, 2021	
<b>Budget Review</b>	James Hayes via email		<b>Date:</b>	May 18, 2021	
<b>Finance Review</b>	Stacey Hamm via email		<b>Date:</b>	May 17, 2021	
<b>Approved for consideration:</b>	Assistant County Administrator				
<b>Committee</b>	Development & Services				
<b>Subject:</b>	Department of Public Works – FY22 – Dirt Road Paving Project List				

**STAFF’S RECOMMENDED ACTION:**

The Engineering Division Staff of the Department of Public Works (DPW) is seeking approval to move forward with the design and paving of the twelve (12) dirt roads listed below. These roads are not funded by the Transportation Penny Department program; they fall beyond the currently forecasted funding.

<b>District #1</b>			
	Jacquelyn Powers Circle	1,164 LF	
	Stanley Fort Road	298 LF	
<b>District #2</b>			
	Hardy Entzminger Road	2,227 LF	
	Jordan Road	837 LF	
<b>District #10</b>			
	Lassiter Jacobs Road	4,047 LF	
	S Crosshill Circle	2,025 LF	
	Sara Neal Road	1,166 LF	
	Chappel Creek Lane	2,121 LF	
<b>District #11</b>			
	Pond Arch Road	1,122 LF	
	Wattsland Road	2,578 LF	
<b>District #7</b>			
	Wooten Road	2,018 LF	
<b>District #9</b>			
	Nature Trail	2,170 LF	
<b>Total</b>	<b>12 roads</b>	<b>21, 773LF</b>	<b>4.12 miles</b>

Request for Council Reconsideration:  Yes

**FIDUCIARY:**

Are funds allocated in the department’s current fiscal year budget?	<input checked="" type="checkbox"/>	Yes		No
If no, is a budget amendment necessary?		Yes		No

**ADDITIONAL FISCAL/BUDGETARY MATTERS TO CONSIDER:**

The funds for this project will come from the Roads Maintenance Fee. The number of miles of dirt roads that will be paved will be limited to the amount of funds that are generated and available to acquire necessary Right-of-Way. Given adequate revenue, our plan is to reserve \$2.1 million for these capital improvements each year equating to about 2 miles of new dirt to paved roads each year.

**COUNTY ATTORNEY’S OFFICE FEEDBACK/POSSIBLE AREA(S) OF LEGAL EXPOSURE:**

None.

**REGULATORY COMPLIANCE:**

Non-applicable.

**MOTION OF ORIGIN:**

There is no associated Council motion of origin.

Council Member	
Meeting	
Date	

**STRATEGIC & GENERATIVE DISCUSSION:**

The Department of Public Works (DPW) Staff has initiated this program in order to begin to pave additional dirt roads using a portion of the County’s Road Maintenance Fee. The Transportation Penny Department is carrying out dirt road paving using a priority list that the program generated. With the Penny winding down on these types of projects, DPW wants to accelerate and continue this objective with sustainable funding. This program will start with roads classified as “unfunded” by the Transportation Penny Department with the highest ranking being first. Right-of-Way and Consent / Denial procedures will uphold current County policy. These procedures could cause some of the roads to drop off the list and at that point a replacement road will be selected being the next highest ranked unfunded dirt road.

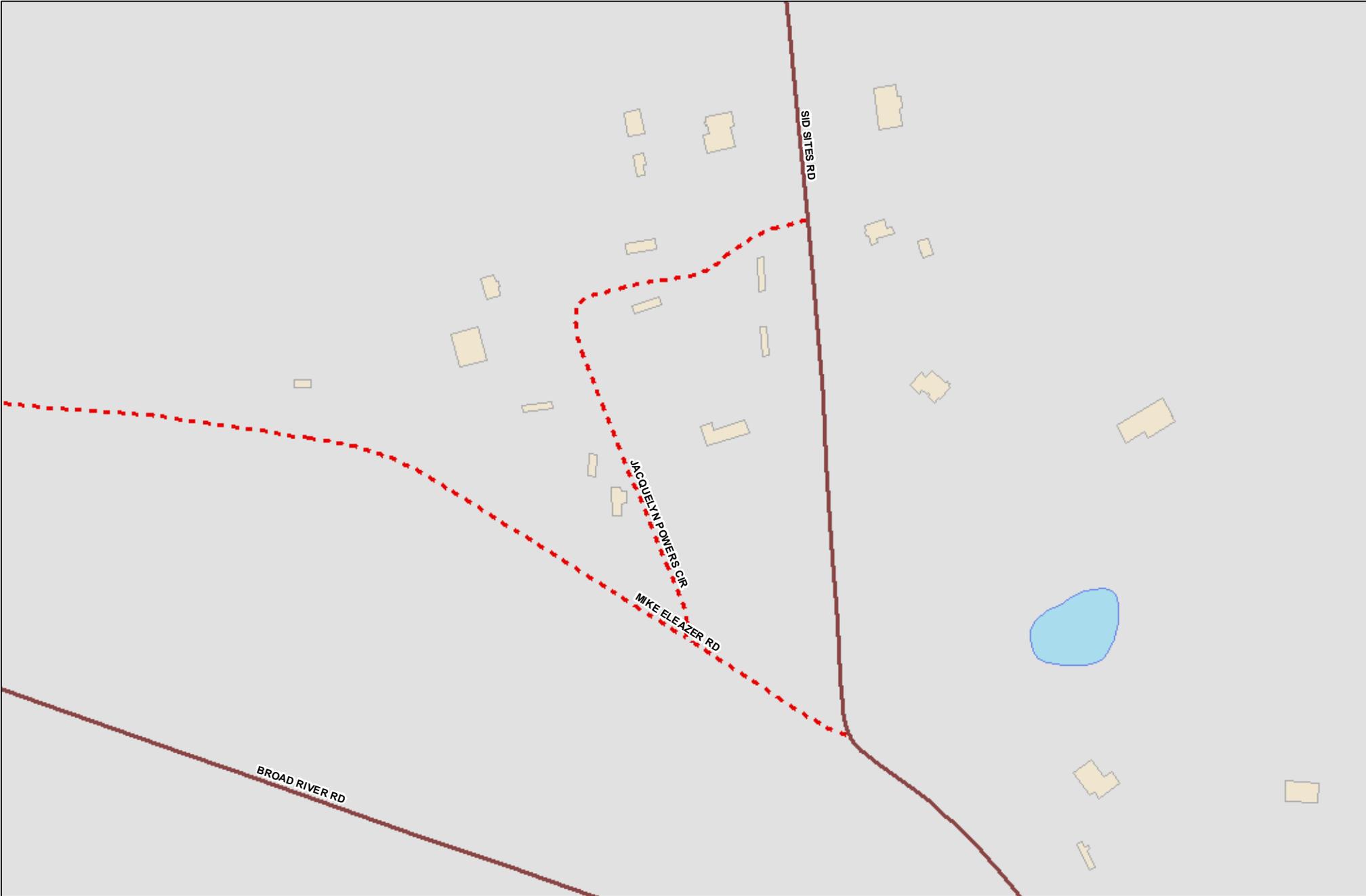
**ADDITIONAL COMMENTS FOR CONSIDERATION:**

None.

**ATTACHMENTS:**

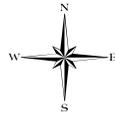
1. Map of proposed roads

# District#1 Jacquelyn Powers Cir



## Legend

- |                 |                |            |
|-----------------|----------------|------------|
| Streams         | Other          | SCDOT      |
| Waterbody       | County Paved   | Interstate |
| Buildings       | County Unpaved | Proposed   |
| Private / Other | None           |            |



1 inch = 250 feet

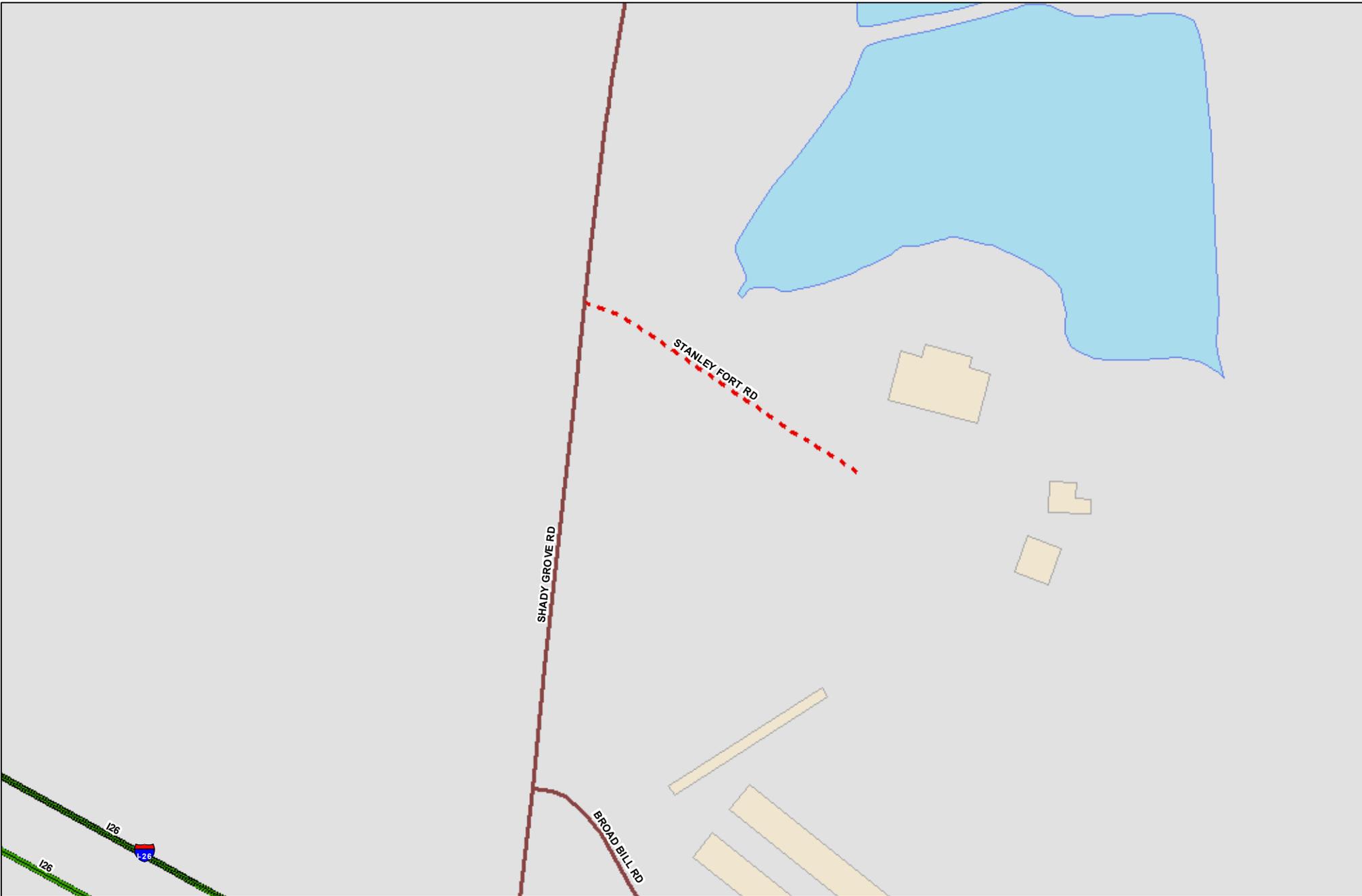
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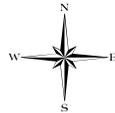


# District#1 Stanley Fort Rd



## Legend

- |                 |                |            |
|-----------------|----------------|------------|
| Streams         | Other          | SCDOT      |
| Waterbody       | County Paved   | Interstate |
| Buildings       | County Unpaved | Proposed   |
| Private / Other | None           |            |



1 inch = 100 feet

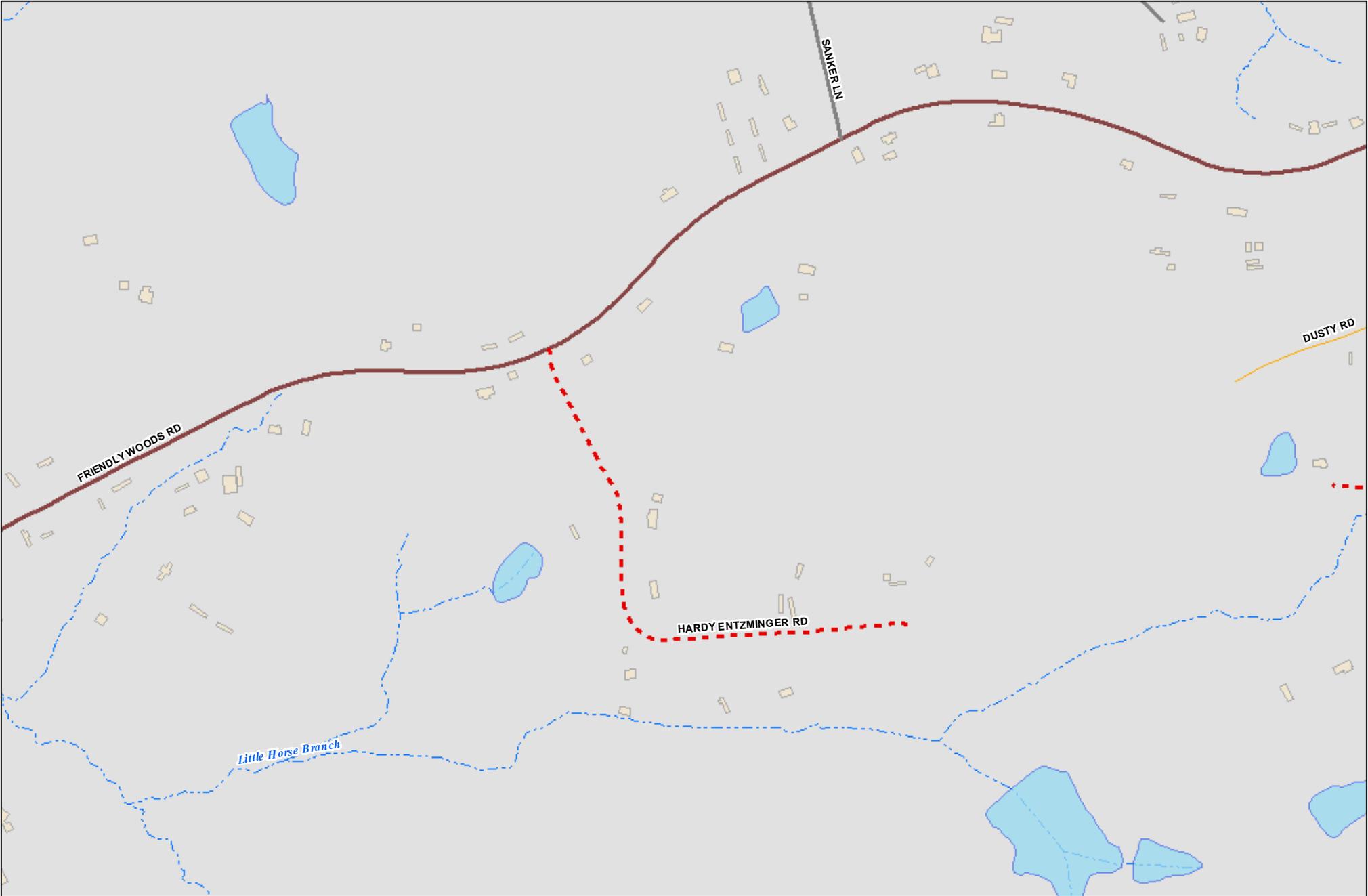
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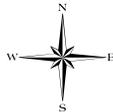


# District #2 Hardy Entzminger Rd



## Legend

- |   |   |  |
|---|---|--|
|  Buildings |  Other           |  SCDOT      |
|  Streams   |  County Paved    |  Interstate |
|  Waterbody |  County Unpaved  |  Proposed   |
|   |  Private / Other |  None       |



1 inch = 500 feet

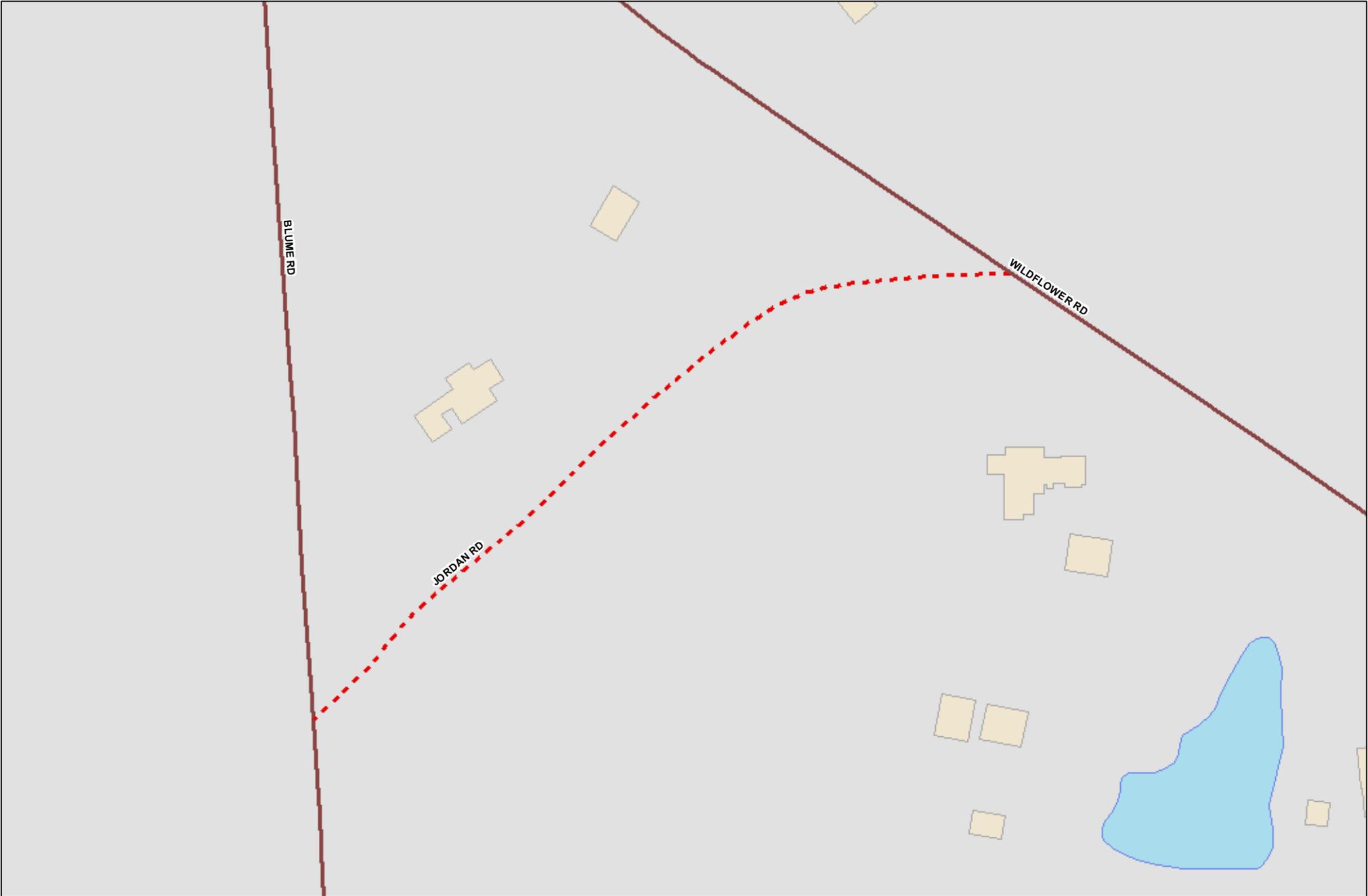
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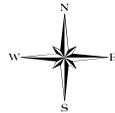


# District#2 Jordan Rd



## Legend

- |                 |                |            |
|-----------------|----------------|------------|
| Streams         | Other          | SCDOT      |
| Waterbody       | County Paved   | Interstate |
| Buildings       | County Unpaved | Proposed   |
| Private / Other | None           |            |



1 inch = 125 feet

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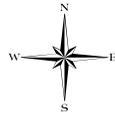


# District#7 Wooten Rd



## Legend

- |                 |                |            |
|-----------------|----------------|------------|
| Streams         | Other          | SCDOT      |
| Waterbody       | County Paved   | Interstate |
| Buildings       | County Unpaved | Proposed   |
| Private / Other | None           |            |



1 inch = 200 feet

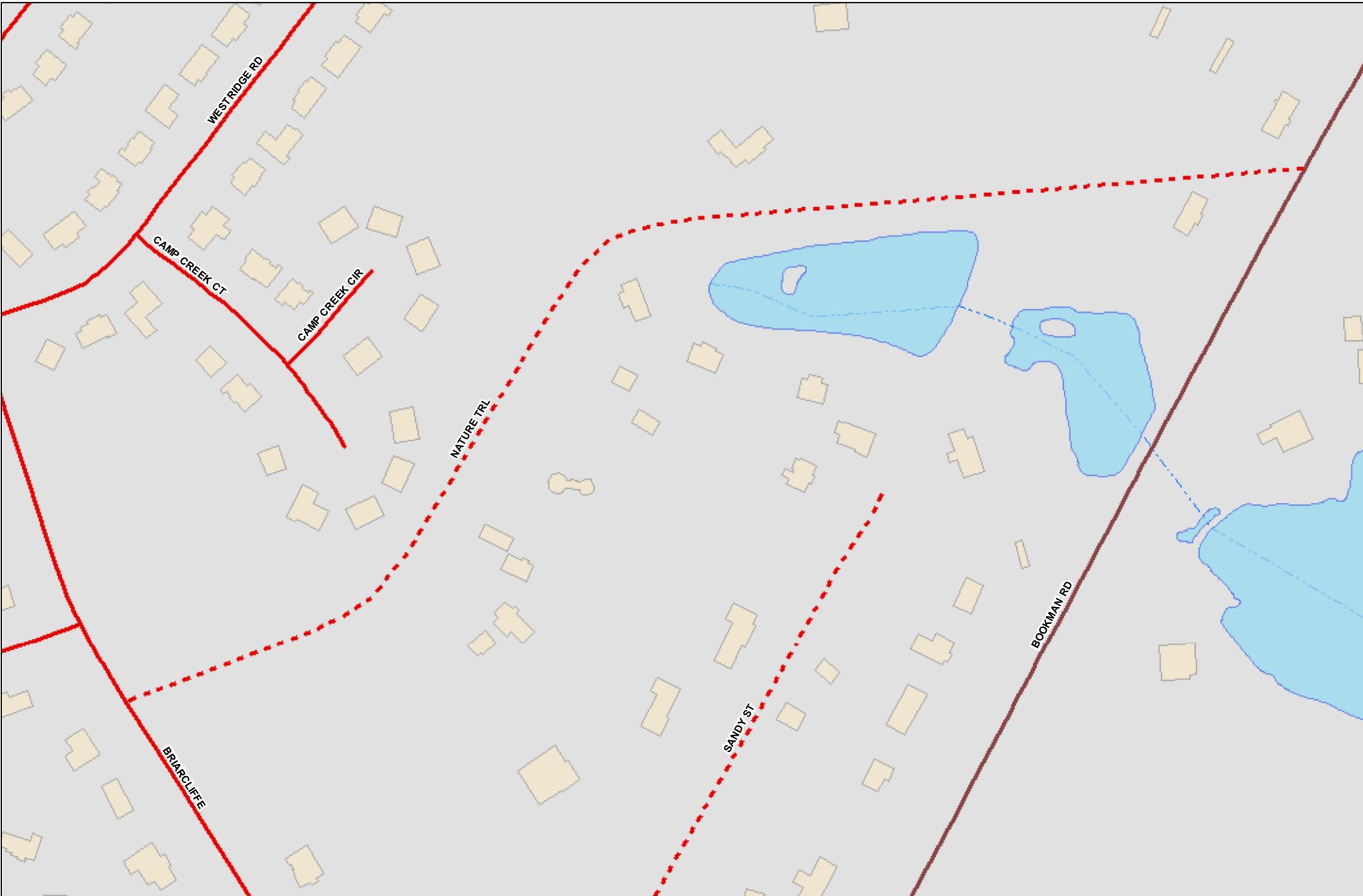
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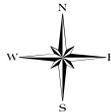


# District#9 Nature Trail



## Legend

- |                 |                |            |
|-----------------|----------------|------------|
| Streams         | Other          | SCDOT      |
| Waterbody       | County Paved   | Interstate |
| Buildings       | County Unpaved | Proposed   |
| Private / Other | None           |            |



1 inch = 200 feet

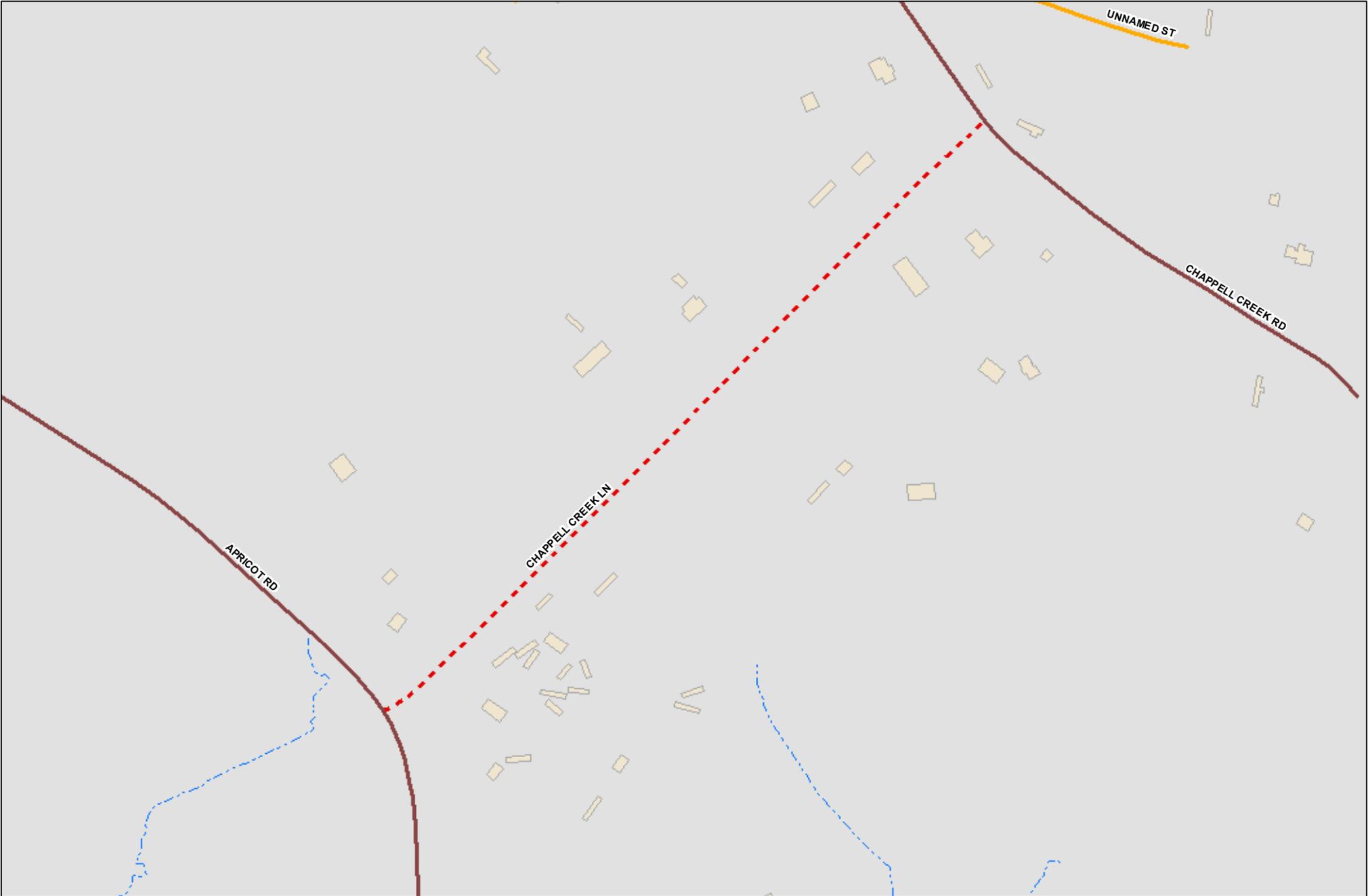
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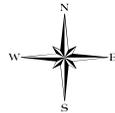


# District#10 Chappell Creek Ln



## Legend

- |                 |                |            |
|-----------------|----------------|------------|
| Streams         | Other          | SCDOT      |
| Waterbody       | County Paved   | Interstate |
| Buildings       | County Unpaved | Proposed   |
| Private / Other | None           |            |



1 inch = 325 feet

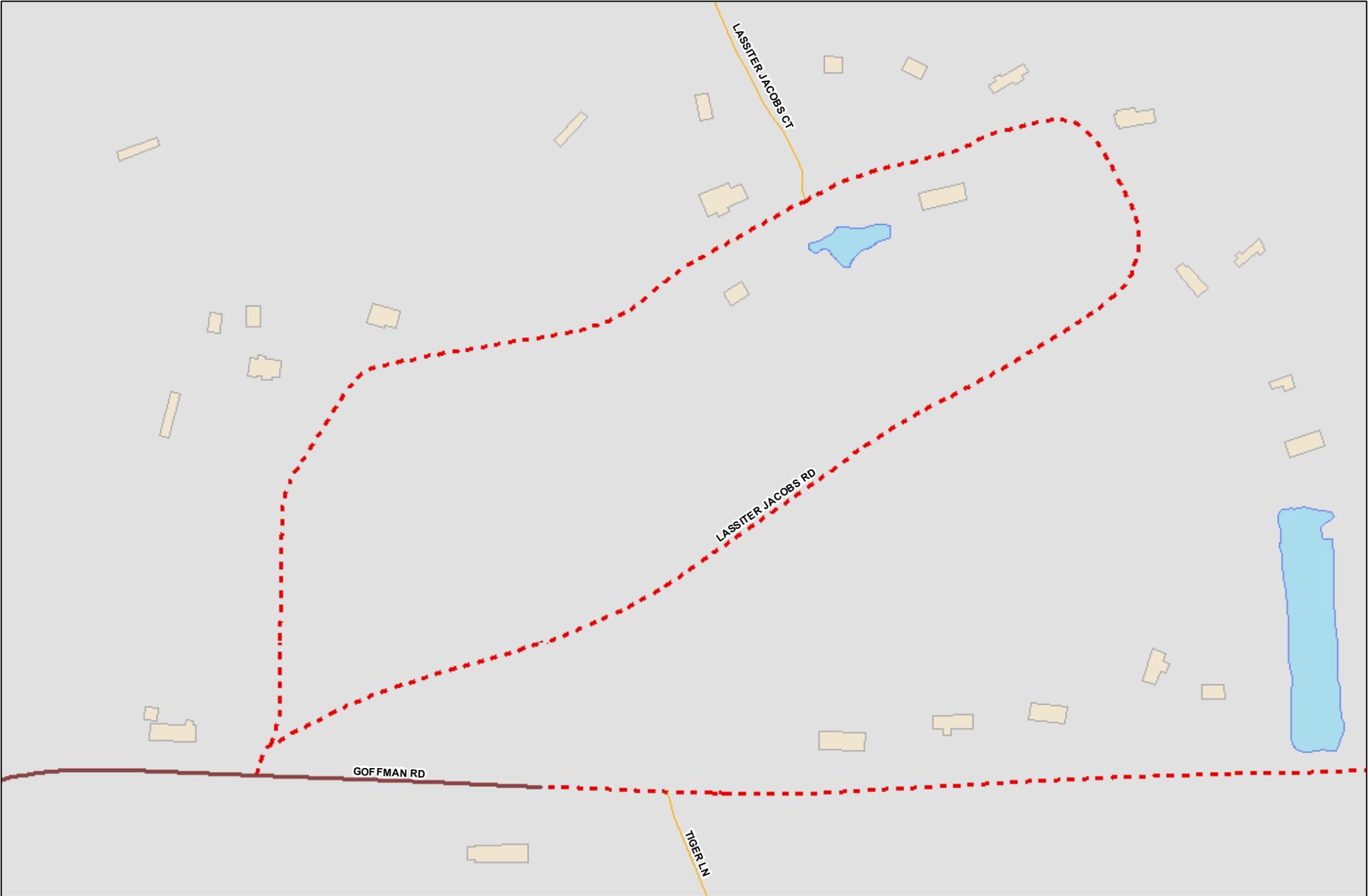
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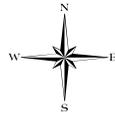


# District#10 Lassiter Jacobs Rd



## Legend

- |                 |                |            |
|-----------------|----------------|------------|
| Streams         | Other          | SCDOT      |
| Waterbody       | County Paved   | Interstate |
| Buildings       | County Unpaved | Proposed   |
| Private / Other | None           |            |



1 inch = 200 feet

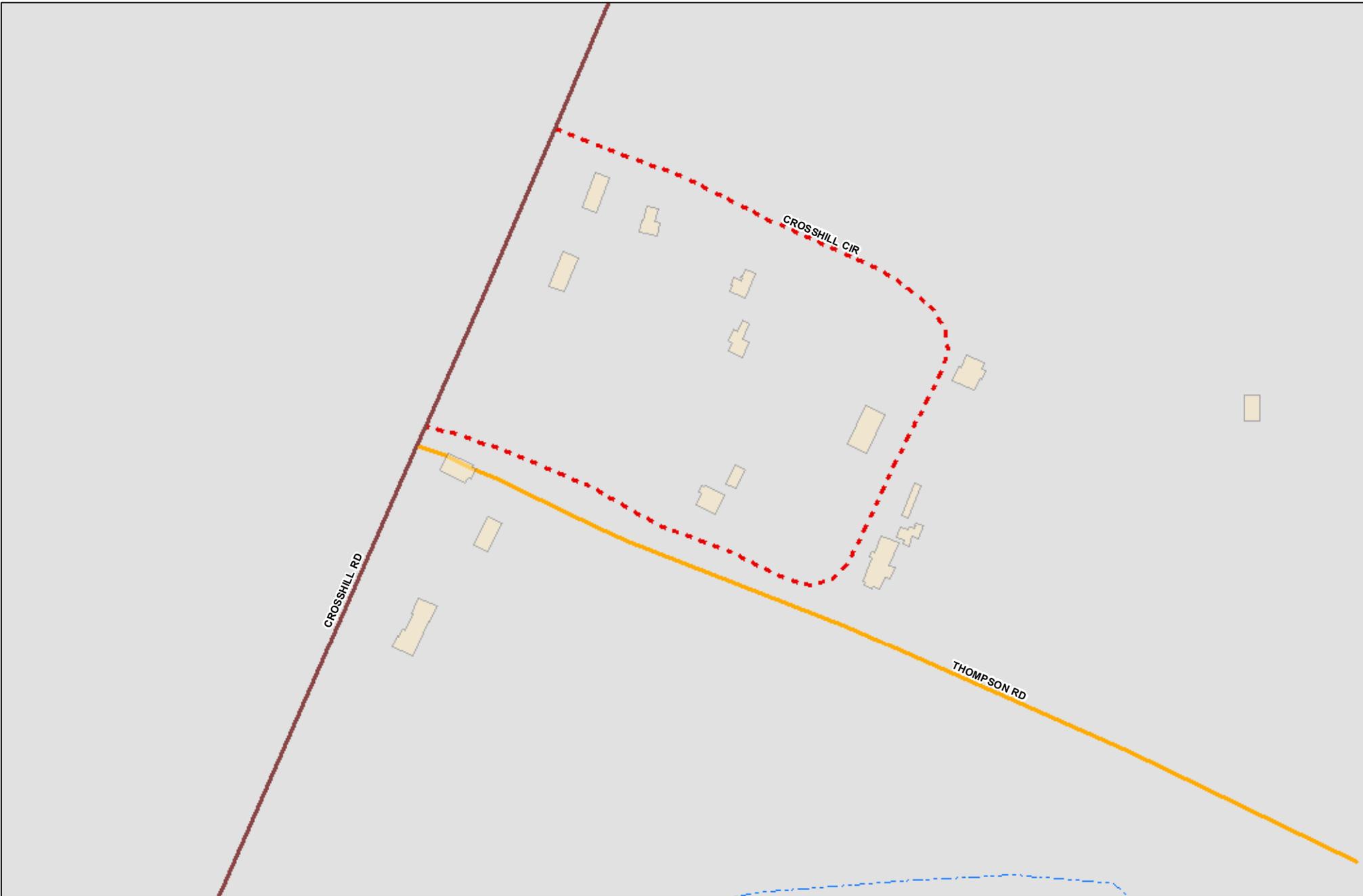
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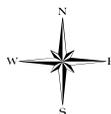


# District#10 S Crosshill Cir



## Legend

- |                 |                |            |
|-----------------|----------------|------------|
| Streams         | Other          | SCDOT      |
| Waterbody       | County Paved   | Interstate |
| Buildings       | County Unpaved | Proposed   |
| Private / Other | None           |            |



1 inch = 225 feet

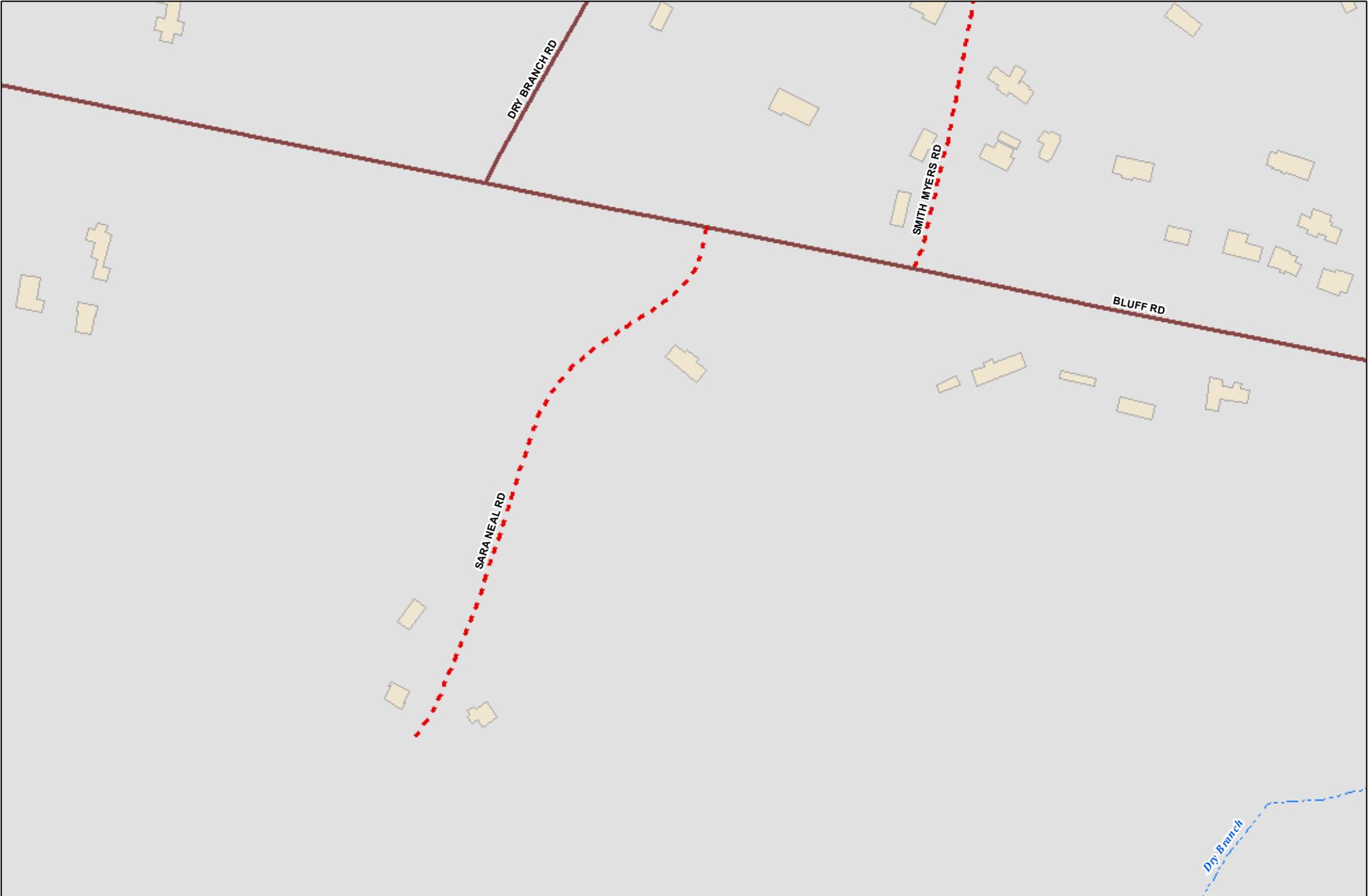
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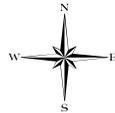


# District#10 Sara Neal Rd



## Legend

- |                 |                |            |
|-----------------|----------------|------------|
| Streams         | Other          | SCDOT      |
| Waterbody       | County Paved   | Interstate |
| Buildings       | County Unpaved | Proposed   |
| Private / Other | None           |            |



1 inch = 250 feet

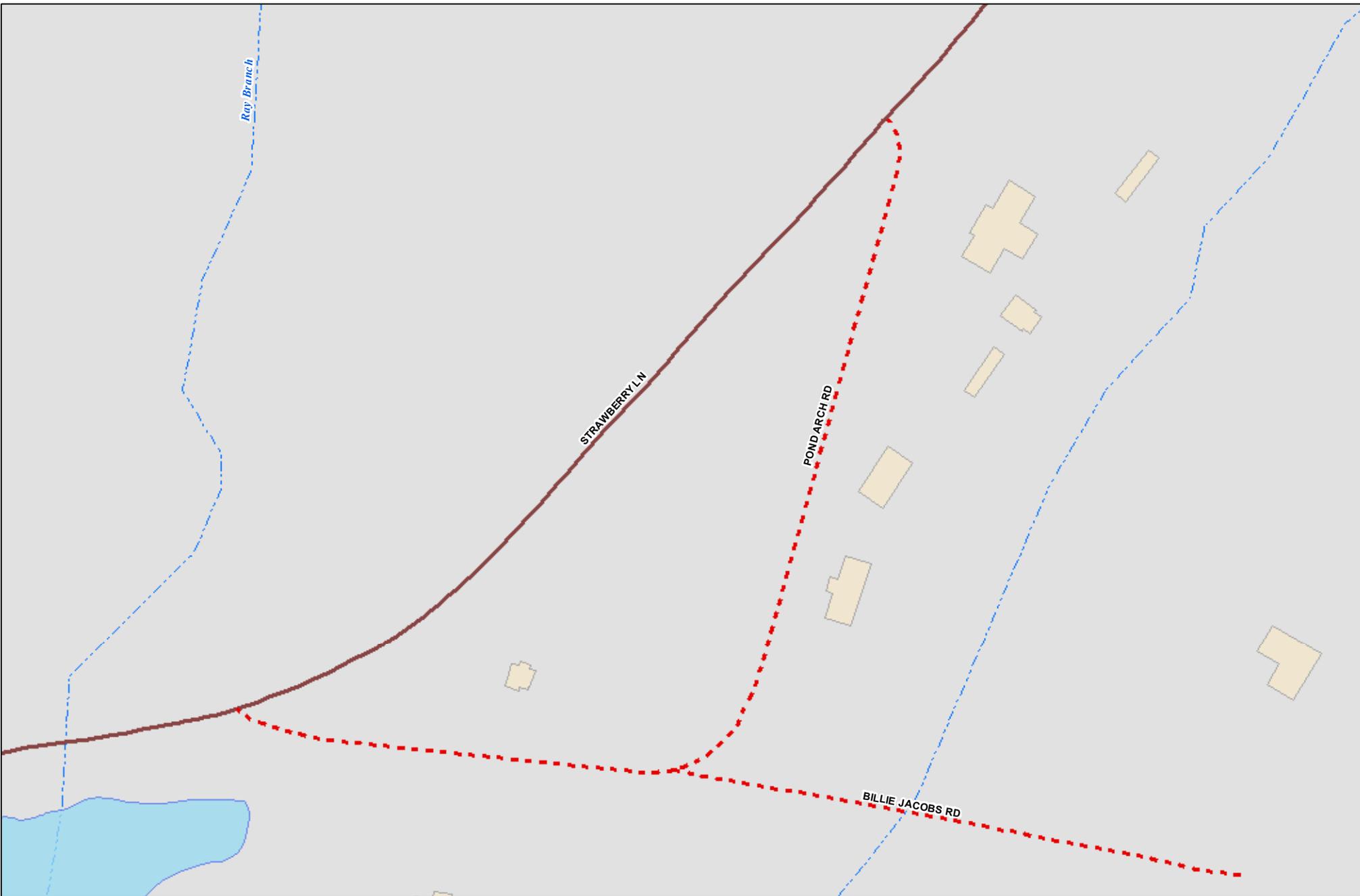
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# District#11 Pond Arch Rd



## Legend

- |                 |                |            |
|-----------------|----------------|------------|
| Streams         | Other          | SCDOT      |
| Waterbody       | County Paved   | Interstate |
| Buildings       | County Unpaved | Proposed   |
| Private / Other | None           |            |



1 inch = 125 feet

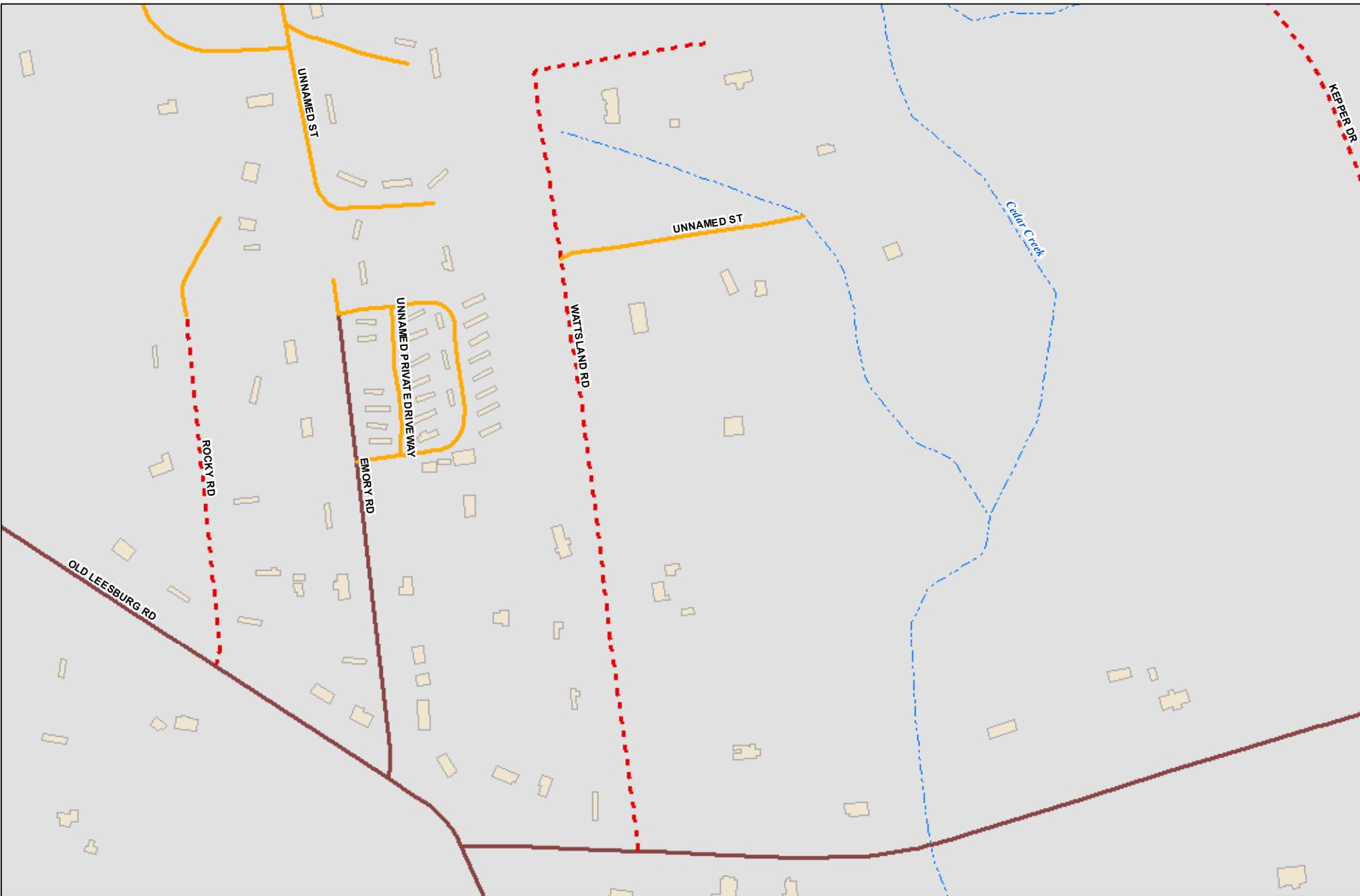
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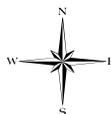


# District#11 Wattsland Rd



## Legend

- |           |                 |            |
|-----------|-----------------|------------|
| Streams   | Other           | SCDOT      |
| Waterbody | County Paved    | Interstate |
| Buildings | County Unpaved  | Proposed   |
|           | Private / Other | None       |



1 inch = 345 feet

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## MEMORANDUM

TO: The Honorable Paul Livingston, Chair  
Richland County Council  
Richland County Administrator

CC: Richland County Clerk

FR: Rev. Carey A. Grady  
Rev. Dianna Deaderick  
Co-Presidents of Midlands Response for Equity and Justice

Date: April 26, 2021

RE: Proposal for the Establishment of An Affordable Housing Trust Fund

The Midlands Response for Equity and Justice (MORE Justice) request of Richland County Council the adoption of a county ordinance that authorizes a new Board and office for the development and operation of a Richland County Affordable Housing Trust Fund (AHTF).

This AHTF is to provide loans and grants to for-profit and non-profit housing developers for the acquisition and capital, infrastructure and soft costs necessary for the creation of new affordable renter and owner-occupied housing, for the rehabilitation and preservation of existing multi-family residential rental housing and rental assistance and homeownership assistance to persons of very low, low and moderate income.

Pursuant to the authority granted to Richland County under the South Carolina Code of Laws Title 31 Chapter 22 (William C. Mescher Local Housing Trust Fund Enabling Act), this ordinance should accomplish the following.

- Establish the AHTF as a new nonprofit organization to encourage independence governance and private charitable donation.
- Direct the AHTF to oversee the construction of “sanitary, decent, and safe residential housing that people with lower incomes can afford to buy or rent.”
- Provide financing for the AHTF with startup funding (we propose \$2 to \$5 million) sufficient to support both an oversight board (Affordable Housing Advisory Council) and a viable administration (executive director, other staff, and consultants); and by July 2024, provide a sustainable source of annual funding (we suggest \$10 million) that will allow the AHTF to carry out the terms of its charter.
- Provide for the safeguard of funds in the same manner as the general fund or a separate utility fund established for specific purposes and include the AHTF in the required financial expense reports or annual audit.

- Give preference in the distribution of funds from the AHTF, to programs and projects that promote the development or rehabilitation of affordable housing for individuals or families with an annual income at or below fifty percent of the median income for Richland County, adjusted for family size according to current data from HUD.
- Establish the position of Richland County Affordable Housing Trust Fund (AHTF) executive director, who shall be appointed by and report to the county administrator, and his/her term of office shall be at the pleasure of the county administrator.
- Authorize the executive director to hire such staff and assistants as are necessary to the operation of the AHTF and the performance of his/her duties.
- Establish a Board of Advisors to oversee the use of AHTF funds for
  - Making loans at interest rates below or at market rates in order to strengthen the financial feasibility of proposed projects.
  - Guaranteeing of loans.
  - Providing gap financing for affordable housing developments.
  - Financing the acquisition, demolition, and disposition of property for affordable housing projects.
  - Financing construction of public improvements and utilities to aid proposed affordable residential developments.
  - Financing the rehabilitation, remodeling, or new construction of affordable housing.
  - Providing tenant and project based rental assistance.
  - Funding for acquisition and rehab in conjunction with related housing trust fund projects.
  - Funding to facilitate affordable homeownership opportunities including down payment assistance, second mortgages, closing costs, etc.
  - Providing administrative costs associated with affordable housing programs.
  - Providing interim financing of public costs for affordable housing projects in anticipation of a permanent financing source (i.e. construction financing, bond sale, etc.)
  - Allowing other uses as permitted by law and approved by the Richland County Council.
  - Determining the terms and conditions of repayment of loans and grants from the Affordable Housing Trust Fund including the appropriate security and interest, if any, should repayment be required.
- Require the Board to be governed by SC Conflict of Interest Laws
  - ([https://www.lawserver.com/law/state/south-carolina/sc-code/south\\_carolina\\_code\\_34-28-440](https://www.lawserver.com/law/state/south-carolina/sc-code/south_carolina_code_34-28-440))

- Require an annual report to Richland County Council with accounting of all funds each year. This report must be made available to the public by posting on the Richland County website.
- All meetings of the board will be open to the public.

# Affordable Housing Trust Fund (AHTF) Information Packet

Prepared by MORE Justice Housing Committee

12 April 2020

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# HOUSING FACT SHEET

Prepared by the MORE Justice Housing Committee

## THE “WORKING POOR” CAN’T FIND AFFORDABLE HOUSING

- More than 16,000 households in Columbia pay more than 30% of their income on rent and utilities. (Columbia City Consolidated Plan)
- In Richland County, nearly half of renters (44.8%) pay more than a third of their income on rent and utilities. (Richland County Consolidated Plan)
- A person earning minimum wage in Lexington or Richland County would have to work 89 hours a week in order to afford an average one-bedroom apartment at the average price. (NLIHC)
- Often, it is simply a one-time emergency that causes a family to not be able to pay their rent for the month, which can lead to eviction.

## THERE IS NOT ENOUGH AFFORDABLE HOUSING TO MEET THE NEED

- There is a significant gap in availability of affordable rental properties for very-low income residents.
  - Rental market gaps are the difference between the number of rental units available in a given price range compared to the number of renters for whom the given price range is the maximum that can be considered affordable.
- In Richland County, less than 4,000 units are available at \$370 per month, even though this is the maximum affordable rent for 13,500 families. That means, there is only one affordable unit per every three families that desperately need it. (Richland County Consolidated Plan)
- There are more than 23,000 families currently on the waiting list for public housing through the Columbia Housing Authority. Additionally, registration for public housing programs has been closed for more than two years. (Columbia City Officials)
- Richland Two School Officials estimate that half of their 28,000 students are “housing insecure.” (Richland 2 McKinney Vento Representative)

## PEOPLE ARE GETTING EVICTED AT HIGH RATES

- Columbia, SC has the 8th highest eviction rate of any city in the nation. (Eviction Lab)
- An average of 19 households are evicted every day in Richland County. In Lexington County, it is seven households. (Eviction Lab)
- The main reason that these families are getting evicted at these high rates is because rent prices are too high.
- Racial disparities in access to affordable, quality housing are commonplace – for example, while only about 25% of the local population is made up of black women, black women make up more than 90% of all those evicted in Richland County. (Newberry College Professor)

## THERE ARE HIGH SOCIAL COSTS TO UNSTABLE HOUSING

- Not having access to stable housing can lead to different health and social problems.
- In Richland One and Richland Two alone, there are more than 1,500 students registered as “homeless” under the McKinney Vento Act. Homelessness or unstable/unsafe housing leads to poorer academic achievement and health outcomes. (Richland 2 McKinney Vento Rep; Newberry College Professor)
- When students move schools (for example, due to unstable housing) it takes six months to catch up. (Richland 2 McKinney Vento Representative)
- Over a six-year period in the Midlands, less than 500 chronically homeless people accumulated more than \$245 million dollars in Medicaid costs. That is nearly \$600,000 per person. Communities are finding that one way to drive down these medical costs is through the creation of safe, stable housing. (United Way of the Midlands Study)

## SOURCES CITED:

- **Richland County Consolidated Plan:**  
<http://www.richlandcountysc.gov/Portals/0/Departments/CommunityDevelopment/20170823RCConsolidated.PDF>
- **City of Columbia Consolidated Plan:**  
<https://www.columbiasc.net/depts/communitydevelopment/Columbia%20ConPlan%2005-14-2018.pdf>
- **Eviction Lab:** [evictionlab.org](http://evictionlab.org)
- **United Way of the Midlands Healthcare and Homelessness Data Linkage Study:**  
<https://www.uway.org/sites/default/files/files/Health%20Care%20and%20Homelessness.pdf>
- **National Low Income Housing Coalition (NLIHC):** <https://nlihc.org/oor/south-carolina>

## **The Impact of Unaffordable Housing on Children and Families**

The lack of affordable housing and the threat of housing insecurity has many negative impacts on children in our communities. This insufficiency of what seems to be such a basic need causes poor school performance and increases in adverse child events/experiences.

Families are forced into crowded homes, to move from one place to another and often times risk their and their children's lives just to have a place to stay. The Department of Health and Human Services has defined housing insecurity as "high housing costs in proportion to income, poor housing quality, unstable neighborhoods, overcrowding, or homelessness".

In 2019, a total of 12,660 children were reported as homeless under the McKinney-Vento Act, while an estimated 34,335 are believed to be unreported in South Carolina. Students were arranged into 4 categories: doubled-up (living with others), hotels/motels, sheltered and unsheltered.

Children in grades kindergarten to 5th grade are the largest segment of this group, representing 52% of that 12,660. Adolescents who experience school moves are 50% more likely not to graduate from high school. Children at this age with more than 2 school moves are 2.5 times more likely to repeat a grade. High schoolers make up the next largest section, representing 24%. They have a 63% graduation rate, which is a 21% decrease compared to the average rate of 84%.

The experience of housing-insecurity also places children at risk for ACE exposure. Adverse Childhood Experiences (ACEs) are potentially traumatic events that can have negative, long-lasting effects on health and well-being. Children at risk for neglect are significantly more likely to be from families experiencing housing unaffordability and housing instability. There are also reports of physical and emotional abuse, financial exploitation and sex-trafficking while staying in shelters, on the streets, and "doubled-up" with acquaintances, family, or strangers. According to the National Center on Family Homelessness, 83% of homeless children have been exposed to at least one serious violent event by the age of 12 and almost 25 percent have witnessed acts of violence within their families.

The lack of affordable, stable housing is hurting our children. It is our duty as citizens, community members, and leaders, to do something about this.

## What is an Affordable Housing Trust Fund?

Housing is considered “affordable” when 30% or less of one’s income is spent on housing and utilities costs (U.S. Department of Housing and Urban Development - HUD). Affordable Housing Trust Funds (AHTFs) are established by elected government bodies—at the city, county or state level—where a source or sources of public revenue are dedicated, by ordinance or law, to a distinct fund with the express purpose of providing affordable housing. In South Carolina, the Mescher Act (2007) requires this fund to be placed in a non-profit entity. The dedicated public revenue then leverages more money from public and private funds. On average, \$8.50 is leveraged for every \$1 dedicated to the HTF (Center for Community Change). The money in a HTF does not fund an entire project, but it is used as gap funding for developers to construct affordable housing for those with 80% or less of the Area Median Income (AMI).

The HTF is typically governed by a board that oversees and hires staff, reviews requests for proposals (RFP), and then approves/denies these requests. Requests for HTF dollars can be made by non-profit developers, for-profit developers, housing authorities, governmental agencies, and regional organizations. The funds can be distributed in a variety of forms, including, but not limited to grants, long-term, low interest loans, or forgivable or deferred loans.

The kinds of eligible activities that HTF can support are:

- new construction (single or multi-family)
- preservation/rehabilitation of existing housing (single or multi-family)
- housing for senior citizens
- transitional housing (homeless, domestic violence, ex-offenders)
- low (80% AMI), very low (50% AMI) and extremely low (30% AMI) income levels
- special needs housing

### **Additional Resources**

- Center for Community Change: Housing Trust Fund Project
  - <https://housingtrustfundproject.org/our-project/about/>
- HUD Exchange: Housing Trust Funds
  - <https://www.hudexchange.info/programs/htf/>
- SC Mescher Act (attached)
  - <https://www.scstatehouse.gov/code/t31c022.php>

# **What is an Affordable Housing Trust Fund (HTF)?**

## **What is a Housing Trust Fund (HTF)?**

- HTF's are established by elected governmental bodies (at the city, county, or state level). A source or sources of public revenue are dedicated, by ordinance or law, to a distinct fund with the express purpose of providing affordable housing.
- HTF's have been enacted by hundreds of governments across the United States.
- There are more than 780 housing trust funds in existence in the US that generate more than \$1.5 billion a year for affordable housing.

## **How is the HTF funded?**

- HTF's are funded by various public revenue sources. Housing Trust Funds are flexible in that they can be funded from multiple public revenue sources. Some examples are:
  - General fund
  - Bond proceeds
  - Grants
  - Loans from the state and federal government
  - State capital budget
  - Residential impact fees
  - Developer impact fees
  - Document recording fee
  - Tax foreclosure sale
  - Hotel/Motel tax
  - Accomodation tax
  - Inclusionary in-lieu of fees
  - Parking fees

## **Why are housing trust funds successful?**

- HTF's are successful because of their flexibility. The public money allocated to the HTF is a down payment that is backed by sources of other public and private funds. This is called leveraging, because the money in the HTF attracts public and private funds from a variety of sources that would not be available without the trust fund.
  - Sources Leveraged by the Housing Trust Fund
    - Governmental bonds
    - Grants
    - State Funding
    - Federal Funding
    - Low Income Tax Credits
    - Philanthropic Donations
    - Bank Loans

- According to the Center for Community Change, the average amount of public and private funds leveraged for every \$1 in the HTF is \$8.50. The HTF offers a huge return on investment.
  - Examples from across the country
    - In 2004, the Milwaukee Housing Trust Fund used a \$5 million allocation and leveraged \$25 million in other funding to create 200 units of housing. The construction of these new homes resulted in: 200 jobs created during construction, \$1.2 million in new fee and tax revenue, and \$10 million into the local economy. After construction: 94 jobs remained, \$760,000 in new fee and tax revenue, and \$4.4 million in the local economy.
    - In five years, the Connecticut Housing Trust fund used \$57 million in allocations and leveraged \$519 million in other federal, state, local, and private funding to create 2,200 units. This led to over 4,000 jobs created, \$14 million in recurring state and local revenue, and hundreds of millions in economic activity.

### **How is the housing trust fund administered?**

- **Non-Governmental Agency Model:** Typically established by governmental action and then administered by a separate nonprofit or community foundation. Under this model, a board oversees and hires the staff for the nonprofit.

### **How are the funds distributed?**

- There are a variety of ways that funds can be distributed, but the most common are in the form of: grants, loans, forgivable or deferred loans, lines of credit, or rental assistance.
- Requests for proposals (RFP) or notices of funding availability (NOFA) are issued periodically for prospective applicants.

### **Who can apply for housing trust fund dollars?**

- HTF's attract a diverse group of applicants: non-profit developers, for-profit developers, housing authorities, governmental agencies, and regional organizations.

### **What is the target income?**

- Because HTF's utilize public funds, it should meet the public need.
- Most HTF's target a specific income area - generally households at 50% and below of the area median income (AMI), as defined by the U.S. Department of Housing and Urban Development (HUD).

# South Carolina Legislature

South Carolina Law > Code of Laws > Title 31

## South Carolina Code of Laws Unannotated

### Title 31 - Housing and Redevelopment

#### CHAPTER 22

#### William C. Mescher Local Housing Trust Fund Enabling Act

#### **SECTION 31-22-10.** Legislative findings.

(A) The General Assembly finds:

- (1) Throughout this State, there is a shortage of adequate shelter for South Carolinians including the availability of an affordable residence or permanent domicile with adequate privacy, space, physical accessibility, security, structural stability and durability, and adequate electrical, plumbing, and heating systems.
- (2) Private enterprise and investment has not produced, without government assistance, the needed construction of sanitary, decent, and safe residential housing that people with lower incomes can afford to buy or rent.
- (3) The public's health, safety, and economic interests are best served by the provision of permanent affordable housing because such housing enables South Carolinians to maintain employment, assists this state's children to succeed in school, and helps this state's economic growth and prosperity.

(B) The purpose of this chapter is to authorize a local government to individually or jointly create and operate a local housing trust fund or regional housing trust fund to promote the development of affordable housing, as defined in this chapter.

HISTORY: 2007 Act No. 19, Section 2, eff May 15, 2007.

#### Editor's Note

2007 Act No. 19, Section 1, provides as follows:

"This chapter may be cited as the 'William C. Mescher Local Housing Trust Fund Enabling Act'."

#### **SECTION 31-22-20.** Definitions.

For purposes of this chapter:

- (1) "Affordable housing" means residential housing for rent or sale that is appropriately priced for rent or sale to a person or family whose income does not exceed eighty percent of the median income for the local area, with adjustments for household size, according to the latest figures available from the United States Department of Housing and Urban Development (HUD).
- (2) "Homeless housing" means emergency, transitional, or permanent residential housing shelter for a person needing special assistance and shelter because he is homeless as defined by HUD or consistent with another definition of homelessness under which a person may receive federal financial assistance, state financial assistance, or another supportive service.
- (3) "Local housing trust fund" (LHTF) means a local government fund separate from the general fund established by the governing authority of a local municipality or county government with one or more dedicated sources of public revenue and authorized expenditures as provided in this chapter.
- (4) "Regional housing trust fund" (RHTF) means a multi-jurisdictional government fund separate from the general fund and established jointly by the governing authorities of one or more municipalities or county governments with one or more dedicated sources of public revenue and authorized expenditures as provided in this chapter.
- (5) "Special needs housing" means housing or shelter provided by private or public entities including privately operated elderly housing, nursing homes, community residential care facilities, and other special needs population housing facilities regardless of purpose or type of facility.

HISTORY: 2007 Act No. 19, Section 2, eff May 15, 2007.

#### **SECTION 31-22-30.** Authority to create Local Housing Trust Fund or Regional Housing Trust Fund.

(A) A local government, including a municipality or county, may create and operate an LHTF or RHTF by ordinance, or join an existing trust fund to implement either a local or regional program for affordable housing as defined in this chapter. A local government may jointly form a regional housing trust fund by ordinance. A regional housing trust fund created under this chapter is subject to the same requirement and has the same power as a local housing trust fund created by an individual local government.

(B) A local government that creates an LHTF or RHTF may finance the LHTF or RHTF with money available to the local government through its budgeting authority unless expressly prohibited by the law of this State. Sources of these funds include, but are not limited to, one or more of the following:

- (1) donations;
- (2) bond proceeds; and
- (3) grants and loans from a state, federal, or private source.

The local government may alter a source of funding for the LHTF or RHTF by amending the ordinance that establishes financing for the LHTF or RHTF, but only if sufficient funds exist to cover the projected debts or expenditures authorized by the LHTF or RHTF in its budget. This chapter does not create, grant, or confer a new or additional tax or revenue authority to a local government or political subdivision of the State unless otherwise provided by the law of this State.

(C) A local government operating an LHTF or RHTF shall safeguard the fund in the same manner as the general fund or a separate utility fund established for specific purposes. The LHTF or RHTF may be included in the required financial expense reports or annual audit for each local government.

(D) A local government operating an LHTF or RHTF may allocate funds to a program that promotes the development or rehabilitation of affordable housing as defined in this chapter. Regarding the distribution of funds from an LHTF or RHTF, preference must be given to a program or project that promotes the development or rehabilitation of affordable housing for an individual or family with an annual income at or below fifty percent of the median income for the local area, adjusted for family size according to current data from HUD, the development or rehabilitation of special needs housing, or the development or rehabilitation of homeless housing.

(E) LHTF or RHTF funds may be used to match other funds from federal, state, or private resources, including the State Housing Trust Fund. A local government shall seek additional resources for housing programs and projects to the maximum extent practicable. A local government shall administer its housing trust fund through new or existing nonprofit organizations to encourage private charitable donation to the funds. Where an LHTF or RHTF receives such a donation, the donation must be used and accounted for in accordance with the provisions of this chapter.

(F) An LHTF or RHTF established, utilized, or funded under this chapter must provide an annual report to the local government that created the fund. The local government shall require the LHTF or RHTF to provide an accounting of its funds each year. This report must be made available to the public by posting on the appropriate website of the local government.

HISTORY: 2007 Act No. 19, Section 2, eff May 15, 2007.

**SECTION 31-22-35.** Effect of legislation on existing local or regional housing trust funds.

An LHTF or RHTF existing on the effective date of this act shall not be required to alter the existing terms of its governing documents; provided, however, that any alteration or amendment to such governing documents must conform to the provisions of this act.

HISTORY: 2007 Act No. 19, Section 2, eff May 15, 2007.

**SECTION 31-22-40.** Conflicting laws.

The provisions of this chapter must control where inconsistent with the provisions of another law.

HISTORY: 2007 Act No. 19, Section 2, eff May 15, 2007.

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Legislative Services Agency  
<http://www.scstatehouse.gov>

## **The Public Benefits of Safe Affordable Housing**

Richland County, South Carolina has a growing unmet need for safe affordable housing that, to address adequately, will require a considerable investment of public resources. However, public sentiment towards affordable housing is often negative. As verified by local political leaders, “Not in My Backyard” or NIMBY concerns, as well as concerns about higher taxes, are effective at blocking affordable housing developments. The extent of the problem, the size of the investment, and the fact that it impacts others justify providing answers to why the public should want to provide safe affordable housing to as many families as possible.

Perhaps the greatest public benefit of safe affordable housing is its role in keeping thousands of families and children from sliding into homelessness. Already, an estimated 12,426 Richland County school students experienced homelessness over the course of the 2017-18 school year, according to the U.S. Interagency Council on Homelessness (2019). But these numbers have the potential to swell even more. The Harvard Joint Center for Housing Studies (2019), reports that nearly 30% of Richland County households (44,152)<sup>1</sup> experience housing stress by spending over 50% of their income on housing and utilities. A medical emergency or some other unfortunate financial occurrence can place any one of these families in jeopardy of losing their homes. Homelessness already places a great deal of stress on many of our social services, schools, law enforcement, and neighborhoods. Preventing further loss of families to this unfortunate circumstance has to be one of our highest priorities.

In addition to preventing the tragedy of homelessness, safe and affordable housing creates a number of economic outcomes that benefit the public. Researchers at the Center for Housing Policy (2011) highlight the following such benefits.

- **One-time and ongoing job creation and spending** – The National Association of Home Builders (NAHB) estimates the creation of as many as 120 jobs during the construction of 100 affordable housing units. Once construction is complete, residents of these units then support as many as 30 new jobs.
- **Positive fiscal impacts for state and local governments** – Local governments tend to gain revenue from permitting and zoning fees, utilities, and property taxes. “The NAHB estimates that 100 units of affordable housing for families generate the same amount of one-time revenue as does a comparable market-

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<sup>1</sup> 2013-2017 American Community Survey 5-Year Estimates

rate property.” The Center for Housing Policy shows that the impact of a new affordable housing development on nearby property values is more likely to be neutral or positive than negative, often leading to increased local government property tax revenues.

- **Reducing Foreclosure Risks and Associated Costs** – Low- and moderate-income households that participate in affordable homeownership programs have a much lower risk of delinquency and foreclosure than similar buyers with prime and subprime loans. Reducing foreclosures helps stabilize neighborhoods and saves governments the costs related to property maintenance and/or recovery.
- **Improving Worker and Employer Attraction and Retention** – The need for workforce affordable housing is a growing concern. The Center for Housing Policy (2011) reports survey results that show large employers acknowledging the lack of affordable housing as an impediment to their ability to hold on to qualified employees.
- **Increasing the Buying Power of Residents** – Affordable rent and mortgage payments leave affected families with residual income that is most often used on basic household needs such as food, clothing, healthcare, and transportation. These purchases support the economic viability of the local community.

The Forbes Real Estate Council (2020) notes similar benefits by observing that modern affordable housing (1) attracts diversity, (2) is built on quality that matches or exceeds that of market-rate housing, and (3) provides a boost to local, neighborhood businesses. These traits place affordable rentals in such high demand that they stay rented over a long term and thus provide profitable benefits to its developers, builders, financiers, and managers. The Council also notes that affordable housing rents are reliably paid with the support of vouchers and other subsidies. Comparably, luxury properties have occupancy rates that fluctuate with the economy.

**Safe, affordable housing helps to protect public schools, one of our largest public investments.** Richland County spends over a half a billion dollars each year on schools, our county’s largest expenditure. Yet, our students perform below state standards on most measures of academic achievement (see latest District Report Cards). The high number of homeless and housing insecure students in our schools contribute to this poor performance. The National Association of Realtors (2016) documents a consistent relationship between housing stability and educational

performance. Who can deny the likelihood that a child without certainty about where he or she will sleep is going to present behavioral problems at school? Whereas children in stable homes are more likely to complete high school, have lower incidents of misbehavior of all kinds, and benefit from the example of their parents successfully managing a large financial commitment by maintaining their home. Enterprise Community Partners (2014) note the detrimental effects of housing instability on educational performance. Students who experience homelessness or constant moves are likely to perform poorly not just for a school year, but throughout elementary school. School districts with a critical mass of these students often see high rates of poor performance regardless of their curricular or academic approach. As described by Enterprise Community Partners, homeless students often meet with dire consequences.

*These children are more likely than their peers to drop out of school, repeat grades, perform poorly in school, disengage in the classroom, and suffer from learning disabilities and behavior problems. They may struggle to catch up due to high stress, disrupted school attendance and broken bonds with teachers and friends. These factors are compounded by the impact of traumas often associated with homelessness (family violence, economic crises, etc.).*

**Safe affordable housing helps to keep everyone healthy.** The coronavirus pandemic illustrates our health interdependence. Circumstances that tax our health systems can create stress that impacts all parts of the system and affects all users. As explained by Enterprise Community Partners, “housing instability – including high housing costs in proportion to income, poor housing quality, overcrowding and multiple moves– has serious negative impacts on child and adult health.” The National Poverty Center (2011) documented how unstable living conditions harms both mental and physical health, especially in children. They show that individuals who experienced housing instability within a three-year period are more likely to report anxiety attacks, fair/poor self-rated health, and major or minor depression. Police and emergency room resources are likely to feel the systemic impact of this ill health. As documented by MORE Justice’s work to have law enforcement leaders implement Crisis Intervention Training, police officers are most often called to confront perceived adversarial behavior by individuals with a mental health diagnosis. This is dangerous work for police officers and can result in poor treatment of mentally ill persons. The effects of unstable housing on children are especially worrisome. A group of physicians writing in the American Journal of Public

Health (2011) concluded that “housing insecurity is associated with poor health, lower weight, and developmental risk among young children. Policies that decrease housing insecurity can promote the health of young children and should be a priority.”

**Safe, affordable housing is the most efficient way to address the problem of housing insecurity.** What we pay for alternative solutions is more costly and less effective. Temporary and emergency housing may rescue a family for a short period of time but does very little for their long-term security. Using jails and hospitals to deal with health issues resulting from the stress of housing insecurity is expensive and too indirect to be effective. Suspending children from school because of their lack of attention and preoccupation with housing uncertainty only buys a moment of relief for teachers and does nothing for the child.

As Richland County works to bring its revenue and expenditures in-line to prioritize affordable housing, policymakers and planners should understand the public benefits of well-designed affordable housing programs. Such programs are needed now more than ever as evidence shows an increasing number of families qualifying for housing assistance. Stable homes lead to stable communities, more effective schools, improved health, and a stronger economy. It is too expensive for us to not realize these benefits.

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### **Economic Impact of Housing Trust Funds**

For housing to be "affordable," that generally means that a household spends 30 percent or less of its income on rent or mortgage payments and utilities. In Richland County, 45 percent of renters spend more than 30 percent of their income on housing costs. That's more than 22,000 families. As stated in Richland County's consolidated plan, there are 13,500 families who can only afford rent at \$370 a month. There are, however, less than 4,000 units available with rent that falls within those parameters.

This is not a problem limited to the very poor. Nurses, police officers, firefighters, military service members, and teachers are important – crucial – members of our community who are statistically likely to experience chronic housing affordability problems. The income earned in these fields is often insufficient for the people who work in them to be able to spend only 30 percent of their income on housing expenses. Those in minimum wage jobs are even more challenged. To afford a one-bedroom apartment at the average rent in Richland County, a person working minimum wage would have to work 89 hours a week.

For most of Richland County's ordinary people, the housing they have is not housing they can really afford. Making rent or a mortgage payment *and* paying for life's other necessities is a delicate balancing act.

The present gap between the need for affordable housing and its availability causes housing-challenged Richland County residents to have to choose between paying rent or buying groceries and paying for medical necessities. The inability of many people to afford their rent has driven up the number of evictions in Richland County – in 2018, Columbia ranked the eighth highest for the number of evictions among urban areas in the United States. Richland County averages 19 evictions every day. While not every eviction results in homelessness, many do. The economic stress on housing-challenged citizens is severe and can be catastrophic.

But the negative financial effects are not felt just by those who most obviously bear the brunt of this problem. The lack of affordable housing in Richland County is an economic drag on the whole community. The ancillary problems this generates hold back economic growth. They siphon public resources that could be put to better use if

those resources did not have to be spent addressing the spinoff problems created by the lack of affordable housing. Evictions precipitated by inability to afford housing take up an inordinate amount of the docket in our magistrates' courts, driving the need to hire more magistrates and more court staff to deal with the rising tide of eviction actions. Evictions are financially devastating for tenants, but they are also money-losers for landlords. And, of course, more people made homeless when they can no longer afford their rent means more public money spent on dealing with the homeless.

More broadly, without a sufficient supply of affordable housing, employers — and entire regional economies — are at a competitive disadvantage because of their difficulty attracting and retaining workers. When workers leave, this causes companies to have to train a new employee for the same job, incurring training costs and paying existing employees to train new ones rather than engage in economically productive activity.

Young children in families who live in unstable housing are 20 percent more likely to be hospitalized than those in stable housing. In addition, households with poor housing quality had 50 percent higher odds of an asthma-related emergency room visit during the period of one study. Other research indicates that five percent of hospital patients — who are responsible for half of the health care costs in the U.S. — are, for the most part, patients who live below the poverty line and are housing insecure. As most of these patients are uninsured and unable to pay a hefty hospital bill, these visits are not revenue-generating events for hospitals.

That is the situation Richland County is in now. We call this a quiet crisis because, despite unaffordable housing situations being quite common, those in them rarely complain. They've been in housing challenged situations so long that unaffordable housing seems normal.

It does not have to be that way. Housing trust funds are a free-market solution. There are some 800 communities with housing trust funds in the United States. Those trust funds generate positive economic activity wherever they are. They largely work by providing developers with incentives to build housing affordability into their projects (typically through real property covenants that provide for a rent maximum tied to a percentage of area median income). In exchange for obligating itself to do that, a developer receives money from the trust fund that goes to help pay the costs of the developer's project. Funding from the trust is usually sought through project-specific applications that are vetted and either accepted or denied by the trustee. When completed, the developed property provides a sustainable stock of affordable housing for the community.

An increase in affordable housing lessens the negative community-wide effects of affordable housing shortages such as the one Richland County is experiencing now. More affordable housing drives down the number of hospital visits, especially non-revenue-generating ones. And, of course, more affordable housing means more money in the pockets of those who were previously housing-challenged — money that flows into

businesses in the community. Additionally, affordable housing options in high opportunity neighborhoods create economically diverse schools, which are 22 times more likely to be high performing than are high-poverty schools.

During the construction of affordable housing — or any kind of housing, for that matter — the local economy benefits directly from the funds spent on materials, labor, and the like. Creating housing units means creating jobs for those involved in the construction. Further, if a builder is purchasing windows and doors from a local supplier, the supplier may have to spend money on materials and hire additional help to complete the order — an example of an indirect positive financial effect. Also, the construction workers, glass cutters, and landscapers are likely to spend a portion of their wages at the local grocery store, shopping mall, or restaurant. Taken together, the indirect and induced impacts of housing construction on the local economy are often called “ripple” or “multiplier” effects. These effects are maximized in localities where construction-related suppliers and other business establishments are prevalent. Richland County is such a place.

If Richland County established a housing trust funded through a two-mill property tax increase, that would mean a tax increase of roughly \$8 a year for the owner of a house worth \$100,000.00. Respectfully to any such homeowner who may object to such an increase, an examination of the negative economic effects driven by the present housing situation would show that *not* having a vigorously funded housing trust is costing that homeowner well over than \$8 a year right now.

A millage increase dedicated to a housing trust fund would provide the significant, dedicated funding that the Mescher Act requires for such a fund under South Carolina law. Funding for the trust, however, would not need to be limited to millage-based funding or even government funding. A housing trust fund would be permitted to receive funding from other local governments, such as from the City of Columbia, through government grant funding, and from donations from the private sector. The nonprofit corporation trustee would be a 501(c)(3) charitable organization, providing a tax benefit to private donors to the fund.

Richland County can't afford *not* to put a robust housing trust fund in place. As the COVID-19 crisis continues, its economic effects are only beginning to be felt. The ability of ordinary people in Richland County to afford their homes will be challenged more than ever. An already critical need will only be heightened as the effects of this crisis unfold



## Text File

**Introduced:** 7/5/2016

**Bill No:** 2016-0602, **Version:** 4

**Committee:** Committee on Land Use and Economic Development

**Status:** Passed Finally

Ordinance supplementing the Pittsburgh Code of Ordinances, Title Two--Fiscal, Article V--Special Funds, to add a new Chapter [232] 234, "Housing Opportunity Fund", to stabilize communities and protect the public welfare by creating the Pittsburgh Housing Opportunity Fund (the "Fund"), to create a budget obligation for the Fund, to establish the purposes for which monies in the Fund may be used; and to create a Housing Opportunity Fund Governing Board and Advisory Board.

Whereas the Council of the City of Pittsburgh finds as follows:

1. Much of the City's housing stock is older and in need of repair, and many existing and prospective homeowners lack the resources to make necessary repairs. Repairing the existing housing stock helps to stabilize neighborhoods by maintaining property values in the surrounding neighborhood, reducing the incidence of vacancy and blight, and decreasing the need for City-funded demolition.
2. Much of the City's housing stock is not energy efficient, and many property owners lack the resources to make energy efficiency improvements. Improving energy efficiency can help reduce utility costs and provide relief for families with severe housing cost burden. It can also help reduce the City's carbon footprint.
3. Many Pittsburgh neighborhoods have very low rates of homeownership and high rates of absentee-owned properties. Increasing resident ownership of housing gives people more of a stake in the upkeep of their communities and helps to stabilize neighborhoods.
4. The City is experiencing a shortage of decent, safe and sanitary housing that is affordable to extremely low-income families and individuals. The shortage of housing that is affordable to extremely low income families forces them to pay more for housing than they can afford, which reduces the supply of housing that would otherwise be available for families and individuals at other income levels and creates a ripple effect of unaffordability.
5. Over 23,000 Pittsburgh households are paying more than half of their household income on housing costs. This severe cost burden can make these households vulnerable to eviction, foreclosure, utility termination, and other hardships.
6. Many very-low income and extremely low-income families and individuals in Pittsburgh need better access to opportunity resources - such as public transportation, jobs, safe neighborhoods, high-quality schools, child care and grocery stores - that can help to improve their and their children's health, safety and economic self-sufficiency.
7. The City is also experiencing a shortage of decent, safe and sanitary housing that is accessible to people with mobility impairments and other disabilities.

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8. At any given time, there is an average of more than 2000 homeless households on a waiting list for housing and homeless services in Pittsburgh and Allegheny County.
9. Existing affordable housing resources provide relatively short periods of affordability. This can cause the City to invest its limited resources into preserving the existing affordable housing stock instead of expanding the supply. Financing mission-driven developers and prioritizing permanent affordability will help maximize the effectiveness of the City's housing resources.
10. The City and its authorities have experienced steady decreases in funding from federal and state resources for investment in neighborhood development and affordable housing projects.
11. Establishing a Pittsburgh Housing Opportunity Fund will provide needed resources to help stabilize and improve Pittsburgh's neighborhoods, to support the development and preservation of affordable and accessible housing in areas with good access to public transit, jobs, good schools, child care, grocery stores and other amenities that individuals and families need to improve their and their children's health, safety and economic self-sufficiency, and to address other critical housing needs.

**NOW, THEREFORE, BE IT RESOLVED, THAT THE COUNCIL OF THE CITY OF PITTSBURGH HEREBY ENACTS AS FOLLOWS:**

The Pittsburgh Code, Title Two--Fiscal, Article V--Special Funds, is hereby amended by adding a new Chapter [232] 234, "*Housing Opportunity Fund*".

**[232] 234.01 Definitions.**

- (a) "*Accessible*" means housing that meets the design standards most recently published by the American National Standards Institute (ANSI) for Accessible Units or for Units with Accessible Communication Features, as applicable.
- (b) "*Advisory Board*" means the 17-member board described in Section [232] 234.06 of this Chapter.
- (c) "*Affordable*" means housing related expenses do not exceed 30% of a household's gross income. When used in conjunction with a specific income target (e.g., *affordable to households earning at or below 50% of AMI*), the term means housing expenses do not exceed 30% of the gross income of the highest income household within the target category. If no income target is specified, "affordable" shall be construed as referring to an income target of 80% of AMI.
- (d) "*Area Median Income*" or "*AMI*" means the median household income for the Pittsburgh metropolitan area published annually by the U.S. Department of Housing and Urban Development ("HUD").
- (e) "*Deed Restricted Affordable Housing*" means real estate that is required to be used as affordable housing for a period of time pursuant to a restrictive covenant or similar enforceable, recorded instrument, with income targets that are no higher than 80% of AMI. The term shall include, but not be limited to, HUD multifamily housing and Low Income Housing Tax Credit projects authorized by applicable law.
- (f) "*Extremely Low Income*" means having a household income that is at or below 30% of AMI.
- (g) "*Family Sustaining Rental Housing*" means rental housing that is affordable to households earning at or

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**Status:** Passed Finally

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below 50% of AMI. The term shall not include lease purchase or cooperatively owned housing.

(h) “*Governing Board*” means the Urban Redevelopment Authority of Pittsburgh (“URA”) Board of Directors.

(i) “*Housing Assistance to Individuals*” means housing assistance that is provided directly to low-income persons, including but not limited to owner-occupied home rehabilitation or repair services; owner-occupied home energy efficiency upgrades; foreclosure prevention and mitigation services; and rapid rehousing services.

(j) “*Low Income*” means having a household income that is at or below 80% of AMI.

(k) “*Mid and Lower Market*” shall have the meaning specified in the performance measures created by the p4 Performance Measures Project in October, 2016.

(l) “*Neighborhood-Based Non-Profit*” means (1) a Non-Profit that has a substantial base of operations within the neighborhood where the housing to be funded by the Housing Opportunity Fund is located, or (2) a Tenant Association that represents the tenants in the housing to be funded by the Housing Opportunity Fund.

(m) “*Non-Profit*” means a non-profit organization that (i) is exempt from taxation under Section 501(c)(3) of the Internal Revenue Code and (ii) has providing affordable housing or combating community deterioration among its tax exempt purposes. The term shall not include a non-profit organization that is controlled by a for-profit or public entity.

(n) “*Owner-Occupant*” means a natural person with a legal or equitable ownership interest in property which is the primary residence of the person.

(o) “*Permanently Affordable*” means housing that is subject to a deed restriction, ground lease, shared equity agreement, or similar enforceable, recorded instrument that (1) in the case of rental or cooperatively owned housing, requires all current and subsequent owners to maintain the housing as affordable for a period of at least 99 years or for the life of the building, or (2) in the case of for-sale housing, restricts the resale price to subsequent home buyers to an affordable price for a period designed to maintain the housing as affordable for at least 99 years or for the life of the building.

(p) “*Preservation of Deed Restricted Affordable Housing*” means the rehabilitation, redevelopment or replacement of Deed Restricted Affordable Housing, in order to extend the long term affordability and habitability of the units, such that there is no net loss in affordability and all affordable units are maintained or replaced in locations that are no less desirable than the original location.

(q) “*Tenant Association*” means a membership association consisting of the residents of a residential development that operates democratically, is representative of all residents in the development, and is completely independent of owners, management, and their representatives. An association that otherwise satisfies the foregoing criteria shall not be disqualified solely because it has an ownership interest in the residential development.

(r) “*Very Low Income*” means having a household income that is at or below 50% of AMI.

(s) “*Universal Design*” means housing that meets the design requirements specified in Title Two, Section 265.04.1(2)(b) of the Pittsburgh Code on all floors and in all common areas and public spaces..

## [232] 234.02 Establishment of the Pittsburgh Housing Opportunity Fund

**Committee:** Committee on Land Use and Economic Development

**Status:** Passed Finally

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(a) The Pittsburgh Housing Opportunity Fund (“Fund”) shall be created by the Office of the Controller, **and managed by the Office of Management and Budget** as a separate fund for the purpose of supporting the development and preservation of affordable and accessible housing in the City of Pittsburgh as more particularly specified in Sections [232] 234.03 and [232] 234.04 of this Chapter. The City may appropriate revenue and the Fund may receive monies from sources as deemed appropriate and consistent with the purposes set forth in this Chapter and applicable law.

(b) It is the intent of the City Council that the Fund have a goal of \$10 million or more per year in annual revenue after a corresponding amount of budgeted legal revenue has been identified, a new legal revenue line in the said amount has been established or a combination of both.

(c) The dedication of any revenue must be consistent with the City of Pittsburgh Act 47 plan and Act 11 (Intergovernmental Cooperation Authority) agreements, as applicable, and the City’s annual five year plan. Unless Council approves a dedicated source of annual funding, the actual amount of funds shall be contingent upon annual appropriation of Council.

(d) Monies allocated for the Fund must be used exclusively for purposes consistent with this Chapter and applicable law. Therefore, any assets remaining in the Fund at the end of any fiscal year shall be carried into the next fiscal year, including all interest and income earned, as well as any repayments or forfeitures of loans and/or grants.

(e) It is the intent of this Chapter that the Trust Fund provide net new resources for affordable housing in the City of Pittsburgh, and that the Fund not be used to substitute or supplant existing resources.

### **[232] 234.03 Disbursement of Fund Assets**

(a) Funds appropriated from the Opportunity Fund shall be consistent with an annual allocation plan (AAP), created by the Advisory and Governing Boards, as described below. The AAP shall outline the types of programs, projects, and activities that are eligible for Opportunity Fund investment. Each year the Advisory Board shall provide an opportunity for public comment on the AAP and shall submit the AAP to Council for review and approval, prior to the passage of the budget. Such programs, projects, and activities shall:

1. Preserve existing affordable housing through investments such as home rehabilitation or repair ( both owner-occupied and one- to three-unit rental); down payment/closing cost assistance; homeownership counseling, pre or post purchase; foreclosure prevention and mitigation; tangled title assistance; energy efficiency; and a tenant purchase fund that supports tenants in the process of acquiring a controlling interest in expiring affordable housing.
2. Rehabilitate, redevelop, or replace existing Deed Restricted Affordable Housing in order to extend the long term affordability and habitability of the units.
3. Increase the accessibility of new and existing affordable housing to seniors and people with disabilities.
4. Increase the production of affordable housing for sale or rental so as to ensure that communities

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experiencing rapid growth and escalating housing costs continue to have Family Sustaining Rental Housing and ensure that Very Low Income families have opportunities to live in housing in areas of high opportunity or consistent with a neighborhood revitalization plan.

5. Prevent or reduce homelessness by increasing the supply of homes with supportive services available to people at imminent risk of homelessness or experiencing homelessness. The Fund can also be used for programs including rental assistance, rapid re-housing, permanent supported housing, housing first and/or other homeless housing purposes, especially for youth, families, seniors, veterans, people who are chronically homeless and those with disabilities.

6. Provide for funding projects that promote permanently affordable housing through structures such as tenant purchase, community land trusts, shared-equity or deed restrictions placed upon the land.

7. Stabilize Mid and Lower Market Neighborhoods through activities such as making affordable loan products and grants available for the construction or rehab of owner-occupied homes or financing the purchase and rehabilitation of vacant structures by Neighborhood-Based Non-Profits for affordable homeownership.

8. Advance any additional housing needs and leverage additional funding opportunities for affordable housing and neighborhood stabilization as they arise. To that end, the Governing Board may provide such additional uses and goals consistent with the purposes of this Chapter and the findings listed by City Council based upon the recommendation of the Advisory Board after public notice and an opportunity for comment.

(b) Up to 10% of annual Fund expenditures may be used for administrative expenses, which shall include the URA's reasonable and necessary cost of administration and the preparation of the Annual Audit and Report by the Governing Board and the Advisory Board pursuant to an annual budget reviewed ~~and approved~~ by the Advisory Board.

### **[232] 234.04 Priorities and Restrictions**

(a) The AAP shall:

1. Outline an open and competitive selection process for all projects receiving Fund investment.

2. Establish evaluation criteria for awards that are consistent with the goals and purposes of this Chapter and the findings listed by City Council. At a minimum, the evaluation criteria shall include, as relevant: depth of affordability; length of affordability commitments; geographic distribution of funds; coordination with a neighborhood revitalization plan; affirmatively furthering fair housing; accessibility features; energy efficiency; cost effectiveness; readiness to proceed, and access to frequent transit and walkable/bikeable streets.

3. Set standards by which all applicants with projects of four units or more will be required to demonstrate community engagement to understand needs, align development interests, and maximize community participation and partnerships. Any project presented for community input must be documented as substantially similar to the project included in the application. At a minimum, all applicants with projects of four units or more must provide a memorandum of understanding with a Neighborhood-Based Non-Profit organization. The Governing Board may allow for exceptions where:

a. The rehabilitation of rental units are in exchange for enforceable

- b. commitments to accept rental assistance and provide housing for special needs populations;
- c. The project is necessary to affirmatively further fair housing and there is no Neighborhood-Based Non-Profit that is willing or available to participate;
- d. There are no Neighborhood-Based Non-Profits in the neighborhood where the project is located; or
- e. Any additional provisions consistent with this Chapter

4. Require that all housing production or preservation projects of four units or more (for sale or rental) have a Non-Profit applicant. The Advisory Board and Governing Board will give added weight to projects where a Neighborhood-Based Non-Profit Organization is a partner with the ability to approve major project decisions and acquire the property. .

(b) The AAP shall set the following income targets for the overall investment of fund assets in projects, programs, and activities:

50% of funds must benefit families and individuals at or below 30% AMI.

25% of funds must benefit families and individuals at or below 50% AMI.

25% of funds should benefit families and individuals at or below 80% AMI. by providing or supporting homeownership opportunities. ~~and by providing down payment and closing cost assistance to first-time homebuyers consistent with the income targets used by the Pittsburgh Home Ownership Program (PHOP). Except for down payment and closing cost assistance, all fund assets must benefit families and individuals at or below 80% AMI.~~

**1. 80% AMI may only be exceeded for funds used to provide or support homeownership opportunities by providing down payment and closing cost assistance to first-time homebuyers consistent with the income targets and policies used by the Pittsburgh Home Ownership Program (PHOP).**

(c) The AAP shall set targets regarding permanent affordability for the overall investment of Fund assets in projects and the Governing Board shall develop an implementation plan for achieving the same, with review and input by the Advisory Board. Within five years, the target shall be for at least 50% of all housing produced or preserved through investments of Fund assets in the aggregate, in projects of four units or more, shall be Permanently Affordable. The AAP may allow for operating and capacity support for community land trusts in order to meet the 50% target.

(d) All other housing that is produced or preserved through an investment of Fund assets, excluding investments in projects, programs, or activities that provide Housing Assistance to Individuals, shall meet or exceed the following affordability/repayment requirements:

1. For rental housing, the minimum affordability periods required under the federal HOME

program at 24 CFR 92.252, or such longer affordability periods as the Governing Board may adopt.

2. For for-sale housing, the Fund assets shall be in the form of a secured loan that must be repaid upon conversion of the unit to a use other than owner-occupied housing or upon sale of the unit to a purchaser who is not Low Income. The Governing Board, at its discretion, may require earlier repayment of any or all of the Fund loan and may subordinate the Fund mortgage to other financing.

3. Lease-purchase housing shall be treated as rental housing until the units are sold to the tenants, at which time the minimum affordability periods required under the federal HOME program at 24 CFR 92.254 shall apply from the date of the most recent investment of Fund assets.

(e) All new construction and all projects of four units or more receiving an investment of Fund assets shall target to meet or exceed the following goals, to the greatest extent feasible:

1. A minimum of 10% of units shall be accessible to individuals with mobility impairments and a minimum of 4% shall be accessible to individuals with sensory impairments.
2. All units shall meet visitability standards.
3. All projects shall maximize the number of units that meet Universal Design standards.

(f) All programs, projects, and activities funded by the Fund shall adhere to the City's Equal Opportunity policies and the City's obligations to Affirmatively Further Fair Housing.

(g) When Fund assets are used to preserve Deed Restricted Affordable Housing, the Governing Board shall, to the greatest extent feasible, ensure that: there is no net loss in affordability; all affordable units are maintained or replaced in locations that are no less desirable than the original location; all existing residents are given their choice to live in the redeveloped housing or receive comparable relocation housing; and replacement housing is built first or otherwise phased so that residents will not be required to make more than one move.

(h) It is the intent of this Chapter that rental projects supported by the Fund be owned and managed by responsible landlords. To that end, Fund assets shall not be disbursed for projects, programs, or activities where the property owner or related party has outstanding tax or municipal claims or has failed to comply with City codes or policies or other applicable legal obligations. The Advisory Board may make appropriate exceptions where the funds will be used to bring rental property into compliance, subject to Governing Board approval.

(i) Rehabilitation and repair services funded by the Fund shall be performed in a responsible manner and shall have obtained all required permits have been secured prior to the start of work. At a minimum, contractors performing skilled labor must demonstrate PA Home Improvement Consumer Protection Act registration, federal Environmental Protection Agency lead safe work practices certification if they will be working on a pre-1978 home and the work will disturb a coated surface, and that skilled labor will be performed or inspected by a licensed tradesperson. The Governing Board may make exceptions for property owners and volunteer or training organizations who will be self-performing non-skilled labor.

(j) All rental housing receiving an investment of Fund assets must adhere to the tenant and applicant protections required under the federal HOME program at 24 CFR 92.253, or such stronger tenant and applicant protections as the Governing Board may require, for the duration of the affordability period required under Section [232] 234.01(a)(1) of this Chapter.

### [232] 234.05 Governing Board

(a) Upon adoption of a resolution accepting the responsibilities of the governing board as set forth in this chapter, The URA Board shall serve as the Housing Opportunity Fund Governing Board (the “Governing Board”). The Governing Board shall:

1. Ensure that the AAP and all decisions to fund programs, projects, and activities comply with the requirements of this Chapter and all applicable laws and ethical requirements.
2. Issue requests for proposal for Fund assistance, based on the draft requests for proposals and recommendations provided by the Advisory Board and consistent with the AAP and all applicable laws.
3. Make final decisions regarding the disbursement of fund assets, consistent with the requirements of this Chapter and based on recommendations of the Advisory Board. The Governing Board shall not approve any project for funding that has not first been reviewed and ~~recommended for approval~~ **discussed** by the Advisory Board.
4. Enter into agreements to disburse fund assets for projects, programs, and activities consistent with applicable laws.
5. Establish additional priorities consistent with the purposes and intent of this Chapter for inclusion in the AAP based on recommendations of the Advisory Board.
6. Ensure the alignment of Fund disbursements with the City’s other affordable housing resources.
7. Seek contributions from non-City sources to supplement the assets of the Fund.
8. Commission Annual Audits and Annual Reports pursuant to Section [232] 234.09 of this Chapter.

(b) The Governing Board shall meet in regular session at least quarterly and shall conduct its first meeting no later than sixty (60) calendar days after adoption of the resolution of the URA Board as described above. Meetings of the Governing Board, which may be combined with meetings of the URA Board, shall be public and shall be advertised in a manner designed to ensure that the decisions of the Governing Board are open and transparent. The Governing Board shall also provide a mechanism through which interested persons may request and receive timely notification of regular and special meetings, which shall include at a minimum a description of the material terms of financing decisions that will be under consideration. The Governing Board shall allow for public comment on matters up for deliberation at each public meeting, and shall make publicly available a summary of actions taken at each meeting within ten (10) business days. This summary will be unofficial until approved and adopted by the Governing Board.

**Committee:** Committee on Land Use and Economic Development

**Status:** Passed Finally

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**[232] 234.06 Advisory Board**

(a) A Housing Opportunity Fund Advisory Board (the “Advisory Board”) is hereby created to:

1. Develop a draft AAP subject to approval by the Governing Board and City Council, as provided herein.
2. Provide recommendations to the Governing Board concerning additional fund priorities.
3. Prepare draft requests for proposals for Fund assistance.
4. Provide recommendations to the Governing Board concerning the disbursement of Fund assets.
5. Make recommendations to the Mayor and City Council regarding funding levels for the Fund, potential additional funding sources, and potential additional funding priorities.

(b) The Advisory Board shall initially be comprised of seventeen (17) persons appointed by the Mayor to four-year staggered terms and approved by the City Council as follows:

1. One member from the Mayor’s Office
2. One member of City Council
3. One member from the Urban Redevelopment Authority
4. One member from the Housing Authority of the City of Pittsburgh
5. One member who is a low income tenant earning less than 50% of AMI or who represents a Tenant Association, a majority of whose members are tenants who earn less than 50% of AMI.
6. One member who is a low-income homeowner earning less than 80% of AMI or who represents low income homeowners and resides in a CDBG-eligible census tract
7. One member from the non-profit community
8. One member who is homeless, formerly homeless, has a disability, or is an advocate for persons who are homeless and/or have disabilities
9. One member from the for-profit development community
10. One member from the non-profit development community
11. Five members from Neighborhood Based Nonprofits that serve a low-income population and who reside in a CDBG-eligible Census Tract in each geographic region of the city (north, south, east, west, and central).
12. One member from a lending institution
13. One member who is a fair housing advocate.

(c) The Mayor may appoint, subject to the approval of City Council, one or more additional persons to the Advisory Board as necessary to secure non-City contributions to the Fund.

(d) The Advisory Board shall meet in regular session at least quarterly and shall conduct its first meeting no later than thirty (30) calendar days after its members are appointed. Meetings of the Advisory Board shall be

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**Status:** Passed Finally

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public and shall be advertised in a manner designed to ensure full and meaningful public participation in Advisory Board decisions. The Advisory Board shall also provide a mechanism through which interested persons may request and receive timely notification of regular and special meetings, which shall include at a minimum a summary of the matters that will be under consideration. The Advisory Board shall allow for public comment on matters up for deliberation at each public meeting, and shall make publicly available a summary of actions taken at each meeting within ten (10) business days. This summary will be unofficial until approved and adopted by the Advisory Board.

(e) No later than June 30 of each year, the Advisory Board shall develop a draft AAP to determine the use of funds for the following year and to govern the selection of programs, projects, and activities, consistent with the provisions of this Chapter and applicable law. The Advisory Board shall provide an opportunity for public comment and shall submit its proposed AAP to the Governing Board for review no later than August 31. The Governing Board shall review the proposed AAP to ensure that it complies with the requirements of this Chapter and to all other applicable laws and ethical requirements, and shall promptly work with the Advisory Board to correct any deficiencies. The Governing and Advisory Boards shall submit the AAP to City Council for review no later than October 31. Any decision to reject or modify the AAP must be made by City Council no later than December 31 for adoption by the Governing Board in January of the following year.

**[232] 234.07 Administration and Management of Funds**

(a) The City shall enter into an Intergovernmental Cooperation Agreement with the URA to provide implementation support and administer Fund assets, in a form acceptable to the City Solicitor. The agreement shall be transmitted to the City Clerk for distribution to City Council. The Agreement shall provide substantially as follows:

1. The URA will perform administrative functions related to the operations of the Fund and will provide staff support and technical assistance to the Governing and Advisory Boards.
2. Specific duties will include:
  - a. Administration and Fund management;
  - b. Technical review and underwriting of proposals;
  - c. Construction review and monitoring;
  - d. Approval of draw requests and disbursement of funds;
  - e. Loan management and servicing;
  - f. Reporting;
  - g. Compliance monitoring and enforcement;
  - h. Staff support for the Advisory and Governing Boards to assist with preparation of the draft and final AAP; and
  - i. Additional duties as may be determined by the Advisory Board and Governing Board.

3. Opportunity Fund assets shall be accounted for separately from other funds held by the City and URA.

4. Generally accepted accounting principles (GAAP) for state and local governments, as defined by the Government Accounting Standards Board (GASB), shall be used in the management of all Fund accounts.

**[232] 234.08 Annual Audit and Report**

(a) Within 90 days after the end of the fiscal year, the Governing Board shall commission an Annual Audit (the "Audit") of Fund income and expenditures for the previous fiscal year. The Audit shall be completed no later than 180 days after the end of the fiscal year. Copies of the Audit shall be provided to City Council, the Mayor, the Governing and Advisory Boards, and shall be made publicly available with the Annual Report. The Audit shall include an account of all administrative expenses sufficient to demonstrate that the expenses are reasonable and necessary to the administration of the Fund.

(b) The Governing Board shall commission an Annual Report on the activities of the Opportunity Fund in the previous fiscal year. The Annual Report shall be completed no later than 180 days after the end of the fiscal year. Copies of the Annual Report shall be provided to City Council, the Mayor, the Governing and Advisory Boards, and shall be made publicly available with the Audit. The Annual Report shall:

1. Provide total numbers of housing units produced, homes preserved, and households prevented from being displaced or becoming homeless as a result of Fund support.

2. List projects, programs, and activities funded through the Fund.

3. Report on funds expended and dollars leveraged by Fund funds.

4. To the extent feasible, report in aggregate form the number of households benefiting from the Fund by income level, geographic distribution, family size, and other criteria as requested by the Advisory Board.

5. Report in aggregate form rents and sale prices of units produced, the number of accessible units built, the number of such units occupied by disabled individuals, and other criteria as requested by the Advisory Board.

6. Report on Opportunity Fund expenditures in each of the income targets specified in Section [232] 234.05(a)(4) of this Chapter.

**[232] 234.09 Effective Date.**

This Chapter shall become effective upon enactment.

**Article 8: Housing**

**Division 5: San Diego Housing Trust Fund**

*(“San Diego Housing Trust Fund” added 4-16-1990 by O-17454 N.S.)*

**§98.0501 Purpose and Intent**

- (a) It is the intent of the City Council to create an Affordable Housing Fund as a permanent and annually renewable source of revenue to meet, in part, the housing needs of the City’s *very low*, *low*, and *median income* households. There are households which are income eligible and also possess one or more of the following characteristics; (1) they are burdened by paying more than thirty percent (30%) of their gross income for housing costs; (2) they live in overcrowded conditions; (3) they live in substandard housing units; (4) they are homeless individuals and families; or (5) they consist of individuals and families with special housing needs such as the elderly, the developmentally disabled, the mentally ill, the physically disabled, single parent households and large families.
- (b) The Affordable Housing Fund will serve as a vehicle for addressing very low, low, and median income housing needs through a combination of funds as provided for in these regulations.
- (c) It is the intent of the City Council to address a significant portion of the City’s current and projected very low, low, and median income housing need by leveraging every one dollar of City funds allocated to the Fund with two dollars of non-City subsidy capital funds.
- (d) It is further the intent of the Council to foster a mix of family incomes in projects assisted by the Fund and to disperse affordable housing projects throughout the City, in accordance with its Balanced Communities Policy and its intent to achieve a balance of incomes in all neighborhoods and communities so that no single neighborhood experiences a disproportionate concentration of housing units affordable to very low, low, and median income households.
- (e) It is the purpose and intent of this part to preserve and maintain renter and ownership housing units which are affordable to low, very low, and moderate income households and are located within the City, including federally assisted units and units located in mobile home parks.

- (f) It is the further intent of the City Council to foster and encourage the private sector to join with the public sector and the nonprofit sector to further the goals of this ordinance.

*(Amended 6-3-2003 by O-19190 N.S.)*

**§98.0502 Establishment of the San Diego Affordable Housing Fund**

- (a) There is hereby established a fund to be known and denominated as the San Diego Affordable Housing Fund. The Affordable Housing Fund shall consist of funds derived from the commercial development linkage fees paid to the City pursuant to Chapter 9, Division 6, Article 8 of the San Diego Municipal Code; revenues from the Transient Occupancy Tax as provided in Section 35.0128 of the San Diego Municipal Code; funds derived from in lieu fees paid to the City pursuant to Chapter 14, Article 2, Division 13; revenues received from the use of a shared-equity program pursuant to Section 142.1309(e) of the San Diego Municipal Code; and any other appropriations as determined from time to time by legislative action of the City Council. The Affordable Housing Fund shall be administered by the San Diego Housing Commission pursuant to the provisions of this Division, the appropriation ordinances and Council policies applicable thereto.
- (b) There is also hereby established within the Affordable Housing Fund, a San Diego Housing Trust Fund account. Except for funds received from in lieu fees paid to the City pursuant to Chapter 14, Article 2, Division 13 and revenues received from the use of a shared-equity program pursuant to Section 142.1309(e) of the San Diego Municipal Code, all funds received by the Affordable Housing Trust Fund, either from special funds or general fund appropriations, shall be deposited in the Housing Trust Fund account. The administration and use of monies from the San Diego Housing Trust Fund shall be subject to all provisions under this Division related to the Affordable Housing Fund.
- (c) There is also hereby established within the Affordable Housing Fund, an Inclusionary Housing Fund account. Funds received from in lieu fees paid to the City pursuant to Chapter 14, Article 2, Division 13 and revenues received from the use of a shared-equity program pursuant to Section 142.1309(e) of the San Diego Municipal Code shall be deposited in the Inclusionary Housing Fund account. The administration and use of monies from the Inclusionary Housing Fund shall be subject to all provisions under this Division related to the Affordable Housing Fund.

*(“Definitions” repealed; “Establishment of the San Diego Housing Trust Fund and Trust Fund Account” renumbered from Sec. 98.0503, retitled and amended 6-3-2003 by O-19190 N.S.)*

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**§98.0503 Purpose and Use of Affordable Housing Fund and Monies**

- (a) The Affordable Housing Fund shall be used solely for programs and administrative support approved by the City Council in accordance with Section 98.0507 to meet the housing needs of *very low income*, *low income* and *median income* households. In addition, for homeownership purposes only, these funds may be utilized to meet the housing needs of *moderate income* households where *moderate income* has the same meaning as in San Diego Municipal Code Section 113.0103. These programs shall include those providing assistance through production, acquisition, rehabilitation and preservation.
- (b) Principal and interest from loan repayments, proceeds from grant repayments, forfeitures, reimbursements, and all other income from Affordable Housing Fund activities, shall be deposited into the Affordable Housing Fund. All funds in the account shall earn interest at least at the same rate as pooled investments managed by the Treasurer. All interest earnings from the account shall be reinvested and dedicated to the account. All appropriated funds in the Affordable Housing Fund account shall be available for program expenditures as directed by the Commission and pursuant to Section 98.0507. The City’s Annual Appropriation Ordinance shall provide for the transfer of designated funds to the Affordable Housing Fund. Transfers shall be made quarterly or upon direction of the City Manager. Transferred funds shall accrue interest from the time of transfer.

*(“Establishment of the San Diego Housing Trust Fund and Trust Fund Account” renumbered to Sec. 98.0502; “Purpose and Use of Housing Trust Fund and Monies” renumbered from Sec. 98.0504, retitled and amended 6–3–2003 by O–19190 N.S.) (Amended 1-23-2009 by O-19825 N.S; effective 2-22-2009.)*

**§98.0504 Purpose and Use of San Diego Housing Trust Fund Account**

- (a) The San Diego Housing Trust Fund may be used in any manner, through loans, grants, or indirect assistance for the production and maintenance of assisted units and related facilities. The San Diego Housing Trust Fund monies shall be distributed to the target income groups according to the following guidelines:
  - (1) No less than ten percent (10%) of the funds in the San Diego Housing Trust Fund account shall be expended to provide transitional housing for households who lack permanent housing;

- (2) Not less than sixty percent (60%) of the funds in the Trust Fund account shall be expended to provide housing to *very low income* households at *affordable housing costs*.
  - (3) No more than twenty percent (20%) of the funds in the San Diego Housing Trust Fund account shall be expended to provide housing to *low income* households at *affordable housing costs*;
  - (4) No more than ten percent (10%) of the funds in the San Diego Housing Trust Fund account shall be expended to assist *median income* and *moderate income* first-time home buyers purchase a home at an *affordable housing cost* with special consideration given to those proposals (1) involving neighborhoods that are predominately *low income* with substantial incidence of absentee ownership, or (2) which further the goals of providing economically balanced communities. *Affordable housing cost*, as defined for moderate income home buyers, shall also be consistent with California Health and Safety Code section 50052.5 for those households at or exceeding 100 percent (100%) of area median income.
- (b) The San Diego Housing Commission shall ensure that a program to increase the capacity of nonprofit organizations to develop and operate housing for *very low, low, median and moderate income* households be included in the Affordable Housing Fund Annual Plan to be submitted to the City Council in accordance with Section 98.0507. Through such a program, the Housing Trust Fund may fund training programs for non-profit organizations, and provide funds for administrative support. Furthermore, the San Diego Housing Commission shall ensure that technical assistance related to the preparation of project proposals is made available to nonprofit organizations requesting such assistance.
- (c) Funds shall not be used for the operation of supporting services such as child care or social services unless:
- (1) The funds are used in connection with transitional housing or in neighborhoods where the addition of units will create the need for supportive services.
  - (2) The recipient can demonstrate to the Commission that other funds are not available, and
  - (3) No more than twenty-five percent (25%) of the loan, grant or assistance is designated for such services. Whenever such funds are disbursed from the Trust Fund account, the San Diego Housing Commission shall determine the terms and conditions which shall be attached to the grant or loan of those funds.

*(“Purpose and Use of Housing Trust Fund and Monies” renumbered to Sec. 98.0503; “Purpose and Use of San Diego Housing Trust Fund Account” added 6-3-2003 by O-19190 N.S.)  
(Amended 1-23-2009 by O-19825 N.S; effective 2-22-2009.)*

**§98.0505 Purpose and Use of San Diego Inclusionary Housing Fund Account**

- (a) The Inclusionary Housing Trust Fund shall be used solely for programs and administrative support approved by the City Council pursuant to the provisions of Section 98.0507.
- (b) Priority for the expenditure of funds from the Inclusionary Housing Trust Fund shall be given to the construction of new affordable housing stock. The monies may also be allowed to be expended for other programs administered by the San Diego Housing Commission if approved by the City Council in the Affordable Housing Fund Annual Plan, pursuant to the provisions of this Division.
- (c) Priority for the expenditure of funds from the Inclusionary Housing Trust Fund shall be given to the Community Planning Area from which the funds were collected. The funds shall be used to promote and support the City’s goal of providing economically balanced communities.

*(“Term of Affordability” renumbered to Sec. 98.0506; “Purpose and Use of San Diego Inclusionary Housing Fund Account” added 6-3-2003 by O-19190 N.S.)*

**§98.0506 Term of Affordability**

- (a) Whenever funds from the Affordable Housing Fund are used for the acquisition, construction or substantial rehabilitation of an affordable rental or cooperative unit, the San Diego Housing Commission shall impose enforceable requirements on the owner of the housing unit that the unit remain affordable for the remaining life of the housing unit, assuming good faith efforts by the owner to maintain the housing unit and rehabilitate it as necessary. The remaining life of the housing unit shall be presumed to be a minimum of fifty-five (55) years.
- (b) Whenever funds from the Affordable Housing Fund are used for the acquisition, construction or substantial rehabilitation of ownership housing, the San Diego Housing Commission shall impose enforceable resale restrictions on the owner to keep the housing unit affordable for the longest feasible time, while maintaining an equitable balance between the interests of the owner and the interests of the San Diego Housing Commission.

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- (c) For programs funded with funds from the Affordable Housing Fund which are not described in (a) or (b) above, the Commission shall develop appropriate mechanisms to ensure affordability which shall be described in the San Diego Housing Fund Annual Plan.
- (d) The affordability restriction requirements described in this section shall run with the land and the Commission shall develop appropriate procedures and documentation to enforce these requirements and shall record such documentation in the Official Records of the Recorder of San Diego County.

*(“Three Year Program” renumbered to Sec. 98.0507; “Term of Affordability” renumbered from Sec. 98.0505 and amended 6-3-2003 by O-19190 N.S.)*

**§98.0507 Affordable Housing Fund Annual Plan**

Prior to the commencement of the fiscal year and annually thereafter, the San Diego Housing Commission shall adopt an Affordable Housing Fund Annual Plan for the use of the Affordable Housing Fund, including the Housing Trust Fund account and the Inclusionary Housing Fund account, and present it to Council for action. This document shall plan for the following fiscal year or other appropriate time frame to ensure for accurate and effective planning and budgeting of fund revenues. The Affordable Housing Fund Annual Plan shall include:

- (a) A description of all programs to be funded with funds from the Affordable Housing Fund account specifying the intended beneficiaries of the program including the capacity building program for nonprofit organizations;
- (b) The amount of funds budgeted for loans or grants to recipients who agree to participate in Commission approved Programs;
- (c) The amount of funds budgeted for administrative expenses, exclusive of legal fees. All disbursements from the Affordable Housing Fund shall be consistent with the Affordable Housing Fund Annual Plan.

*(“Solicitation of Program Suggestions” renumbered to Sec. 98.0508; “Three Year Program Plan” renumbered from Sec. 98.0506, retitled and amended 6-3-2003 by O-19190 N.S.)*

**§98.0508 Solicitation of Program Suggestions**

Each year, the San Diego Housing Commission shall solicit suggestions on the programs to be funded by the Affordable Housing Fund account in the next fiscal year from any person who has indicated such a desire in writing to the Board of Commissioners of the San Diego Housing Commission.

*(“Preparation and Funding of Three-Year Program Plan” renumbered to Sec. 98.0509; “Solicitation of Program Suggestions” renumbered from Sec. 98.0507 and amended 6-3-2003 by O-19190 N.S.)*

**§98.0509 Preparation and Funding of Affordable Housing Fund Annual Plan**

Each year, the San Diego Housing Commission shall hold three (3) public hearings to solicit testimony from the general public on programs to be funded by the Affordable Housing Fund account in the next fiscal year. A hearing shall be held in the North, South and Central areas of the City. The San Diego Housing Commission shall consider the suggestions from the neighborhood groups and the testimony from the public hearings, and cause a draft Annual Plan to be prepared for its consideration. The San Diego Housing Commission shall hold a public hearing to obtain public comments on the draft Affordable Housing Fund Annual Plan, make modifications as it deems appropriate and submit it to the Council for action. The City Council shall consider the Affordable Housing Fund Annual Plan as submitted by the San Diego Housing Commission, modify it if it so elects; approve it no later than July 31 of each year; and appropriate to fund the Affordable Housing Fund Annual Plan from the Affordable Housing Fund account or an other funding sources it chooses to consider for this purpose. These procedures and dates may be adjusted as necessary for the preparation of the first Affordable Housing Fund Annual Plan after the enactment of this Division.

*(“Project Selection and Disbursement of Funds” renumbered to Sec. 98.0510; “Preparation and Funding of Three-Year Program Plan” renumbered from Sec. 98.0508, retitled and amended 6-3-2003 by O-19190 N.S.)*

**§98.0510 Project Selection and Disbursement of Funds**

- (a) All projects considered for funding will be reviewed prior to Commission action by the local Community Planning Group or, in an area where there is no Planning Group, another community advisory group.
- (b) The San Diego Housing Commission may notify potential recipients that specified funds from the Affordable Housing Fund are available to be distributed as loans or grants through issuing requests for proposals and notices of fund availability.

*(“Support of Nonprofit Organizations” repealed; “Project Selection and Disbursement of Funds” renumbered from Sec. 98.0509 and amended 6-3-2003 by O-19190 N.S.)*

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**§98.0511 Regulation of Recipients**

Every recipient shall enter into a written agreement with the San Diego Housing Commission which sets forth the terms and conditions of the grant or loan. The agreement shall contain at least the following provisions:

- (a) The amount of funds to be disbursed from the Affordable Housing Fund.
- (b) The manner in which the funds from the Affordable Housing Fund are to be used.
- (c) The terms and conditions of the grant or loan.
- (d) The projected and maximum amount that is allowed to be charged in order for the assisted units to maintain an affordable housing cost.
- (e) A requirement that periodic reports be made to the Commission to assist its monitoring of compliance with the agreement.
- (f) A description of actions that the Commission may take to enforce the agreement.
- (g) Restrictions on the return on equity and developers fee recipients may receive, where applicable.

*(“Funding of Supporting Services” repealed; “Regulation of Recipients” renumbered from Sec. 98.0512 and amended 6-3-2003 by O-19190 N.S.)*

**§98.0512 Publication of Program Documents**

The Commission shall publish such administrative rules and guidelines as are necessary and desirable to implement the programs approved by the City Council in the Annual Plan.

*(“Regulation of Recipients” renumbered to Sec. 98.0511; “Publication of Program Documents” renumbered from Sec. 98.0522 and amended 6-3-2003 by O-19190 N.S.)*

**§98.0513 Annual Report**

- (a) The Commission shall within ninety (90) days following the close of each fiscal year prepare and submit an annual report to the City Council on the activities undertaken with funds from the Affordable Housing Fund account. The report shall specify the number and types of units assisted, the geographic distribution of units and a summary of statistical data relative to the incomes of assisted households, the monthly rent or carrying charges charged the amount of state, federal and private funds leveraged, and the sales prices of ownership units assisted. The report shall specifically contain a discussion of how well the goals of the previous year’s Annual Plan were met. The report shall also contain the information necessary to support the findings specified in Section 66001 of Chapter 5, Division 1 of Title 7 of the California Government Code.

*(“Annual Report” renumbered from Sec. 98.0523 and amended 6-3-2003 by O-19190 N.S.)*

**§98.0514 Reserve Fund**

The Commission may establish and maintain a reserve fund account subject to approval of the City Council, adequate to preserve the ability of the Affordable Housing Fund to take maximum advantage of unforeseen opportunities in assisting housing and to ensure prudently against unforeseen expenses. The amount to be maintained in this reserve fund shall be determined by the San Diego Housing Commission. The San Diego Housing Commission shall establish procedures for maintaining such a fund.

*(“Reserve Fund” renumbered from Sec. 98.0524 and amended 6-3-2003 by O-19190 N.S.)*

**§98.0515 Financial Management**

- (a) The City Auditor shall maintain a separate Affordable Housing Fund and any required related subsidiary funds and transfer the balance on deposit from such funds to the San Diego Housing Commission on a quarterly basis upon the direction from the Financial Management Director.
- (b) The San Diego Housing Commission shall maintain and report within their accounts a separate Affordable Housing Fund and the subsidy funds of the Housing Trust Fund, the Inclusionary Housing Fund, and any other required related subsidiary funds for all related financing transferred from the City and any related income. Such funds shall be accounted for and reported separately on the San Diego Housing Commission’s annual audited financial report, and such funds shall be audited for compliance with the Affordable Housing Fund Ordinance, Inclusionary Housing Ordinance, and related policies and regulations.

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The Commission shall also prepare any other reports legally mandated for financing sources of the Affordable Housing Fund.

*(“Financial Management” renumbered from Sec. 98.0525 and amended 6-3-2003 by O-19190 N.S.)*

**§98.0516 Equal Opportunity Program**

The San Diego Housing Commission shall apply its equal opportunity program to assure that contractors doing business with and/or receiving funds from the Affordable Housing Fund will not discriminate against any employee or applicant for employment because of race, color, religion, sex, handicap, age, or national origin and that equal employment opportunity is provided to all applicants and employees without regard to race, religion, sex, handicap, age, or national origin. The goals of the equal opportunity program are to ensure that all contracts achieve parity in the representation of women, minorities, and the handicapped in each contractor’s work force with the availability of women minorities, and the handicapped in the San Diego County labor market. The program shall apply to all vendors, grantees, lessees, consultants, banks, and independent corporations under contract with the San Diego Housing Commission.

*(“Equal Opportunity Program” renumbered from Sec. 98.0526 and amended 6-3-2003 by O-19190 N.S.)*

**§98.0517 Compliance with Antidiscrimination Laws**

Each contractor shall submit certification of compliance with Executive Order 11246, Title VII of the Civil Rights Act of 1964, as amended, the California Fair Employment Practice Act, and other applicable federal and state laws and regulations hereinafter enacted. Such certification shall be on forms to be provided by the Commission and shall be submitted at the time the contractor submits a bid or proposal.

*(“Compliance with Antidiscrimination Laws” renumbered from Sec. 98.0527 on 6-3-2003 by O-19190 N.S.)*

**§98.0518 Commission Powers To Enforce**

The San Diego Housing Commission may institute any action or proceeding it deems appropriate, judicial or otherwise, against recipients or other persons to carry out the provisions of this Division, to enforce the terms of any agreement related to the use of funds from the Affordable Housing Fund, or to protect the interest of the City, the San Diego Housing Commission, or intended beneficiaries of programs operated pursuant to this Division. The San Diego Housing Commission may foreclose on property assisted with funds from the Affordable Housing Fund, seek to assume managerial or financial control over property financed with funds from the Affordable Housing Fund, directly or through a receiver, seek monetary damages or seek equitable or declaratory relief.

*(“Commission Powers to Enforce” renumbered from Sec. 98.0528 and amended 6-3-2003 by O-19190 N.S.)*

1  
2  
3  
4 **AN ORDINANCE OF THE CITY OF BELLINGHAM RELATING TO LOW-INCOME**  
5 **HOUSING; REQUESTING THAT A SPECIAL ELECTION BE HELD CONCURRENT**  
6 **WITH THE NOVEMBER 6, 2012 GENERAL ELECTION FOR SUBMISSION TO THE**  
7 **QUALIFIED ELECTORS OF THE CITY OF A PROPOSITION TO LIFT THE LIMIT ON**  
8 **REGULAR PROPERTY TAXES UNDER CHAPTER 84.55 RCW FOR LOW-INCOME**  
9 **HOUSING; DECLARING THE EXISTENCE OF AN EMERGENCY UNDER CHAPTER**  
10 **84.52.105 AND REQUESTING VOTER APPROVAL OF AN ADDITIONAL PROPERTY**  
11 **TAX FOR VERY LOW-INCOME HOUSING; PROVIDING FOR THE EXPIRATION OF**  
12 **THE ADDITIONAL LEVIES AT THE END OF SEVEN YEARS; SETTING FORTH THE**  
13 **BALLOT PROPOSITION; DESIGNATING A CITIZEN LEVY ADVISORY COMMITTEE;**  
14 **AND PROVIDING FOR IMPLEMENTATION OF PROGRAMS WITH FUNDS DERIVED**  
15 **FROM THE TAXES AUTHORIZED.**

16  
17 **WHEREAS**, Equity and Social Justice is a legacy that the City Council has adopted  
18 for the City of Bellingham;

19  
20 **WHEREAS**, Supporting safe, affordable housing, supporting services for lower-  
21 income residents, and providing access to problem-solving resources are the strategic  
22 commitments the City Council has made to ensure Equity and Social Justice;

23  
24 **WHEREAS**, a healthy community is one in which all members have access to basic  
25 needs such as safe, secure and affordable homes and, despite the recent decline in home  
26 purchase prices, homes remain unaffordable for a significant percentage of Bellingham  
27 residents;

28  
29 **WHEREAS**, households face a severe burden when housing costs (including  
30 utilities) exceed 50 percent of household income;

31  
32 **WHEREAS**, U.S. Census data has estimated that there are 7,400 low-income  
33 households in Bellingham that face a severe housing cost burden by paying more than 50  
34 percent of their income on housing costs;

35  
36 **WHEREAS**, over 1,000 low-income elderly households in Bellingham pay more than  
37 50 percent of their income on housing costs and face challenges in repairing their homes  
38 without financial assistance;

39  
40 **WHEREAS**, at any point in time, 500 people are homeless in Whatcom County,  
41 according to the annual Point-in-Time Count, and 20 percent of all people experiencing  
42 homelessness in Bellingham are children under 10 years of age, with adverse childhood  
43 experiences that have profound and long-lasting negative consequences;

44  
45 **WHEREAS**, local housing affordability efforts save public money by reducing  
46 expenses for social services, emergency room medical care, triage, law enforcement and

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1 other costs associated with temporary and chronic homelessness, with two local programs  
2 recently documenting that housing services resulted in increased access to mental health  
3 services and a 90 percent reduction in criminal justice costs;  
4

5 **WHEREAS**, recent investments of new, but very limited, grant funds resulted in  
6 significant reductions in local homelessness, with 37 percent fewer homeless persons with  
7 disabilities, 65 percent fewer homeless veterans, and 41 percent fewer homeless persons  
8 overall;  
9

10 **WHEREAS**, the Bellingham Housing Authority has 1,608 families on the waiting list  
11 for public housing, 72 percent of which earn less than 30% of the Area Median Income and  
12 44 percent are families with disabilities;  
13

14 **WHEREAS**, the Bellingham Housing Authority has 400 households on the waiting  
15 list for rental assistance vouchers, with an average waiting time to receive assistance of  
16 more than four years;  
17

18 **WHEREAS**, nearly one-third of Bellingham's housing stock is over 50 years old,  
19 requiring repair, maintenance and weatherization that is often not affordable to low-income  
20 households;  
21

22 **WHEREAS**, local wages are not keeping pace with Bellingham's housing costs, with  
23 average apartment rent increasing 17 percent while average wages increased only 5  
24 percent since 2004;  
25

26 **WHEREAS**, according to the U.S. Census, the median value of homes increased 96  
27 percent from 2000 to 2010, while median family income increased just 23 percent;  
28

29 **WHEREAS**, more affordable housing options near employment centers are good for  
30 the environment, preventing long commutes with associated pollution, commuting  
31 expenses, traffic congestion and road widening costs;  
32

33 **WHEREAS**, the Countywide Housing Affordability Taskforce (CHAT) concluded its  
34 18 month study and deliberation about housing affordability with a set of conclusions that  
35 included among its top six recommendations the creation of additional local revenue  
36 sources that assist in the delivery of homes affordable to low-income households;  
37

38 **WHEREAS**, the proposed Bellingham Home Fund will result in \$21,000,000 in local  
39 funding that will be used as matching money to leverage other private and public funding  
40 for housing affordability, serving an estimated 8,500 families over the useful life of the  
41 properties that will be assisted with the Bellingham Home Fund;  
42

43 **WHEREAS**, as a condition of receiving federal funding for low-income housing, the  
44 City of Bellingham administers an affordable housing program with citizen oversight,  
45 including preparation of five-year strategic plans, performance measures and outcomes,  
46 and annual action plans;

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1  
2       **WHEREAS**, the City of Bellingham can efficiently administer the proposed  
3 Bellingham Home Fund in conjunction with its existing programs that manage federal  
4 funding for housing affordability;  
5

6       **WHEREAS**, Chapter 84.55 RCW generally limits the dollar amount of regular  
7 property taxes that a city may levy in any year, but RCW 84.55.050 allows a city to levy  
8 taxes exceeding such limit by majority approval of the voters and allows a city to include in  
9 the ballot proposition a limit on the purpose for which the additional taxes levied will be  
10 used and to provide for the expiration of the additional taxing authority;  
11

12       **WHEREAS**, the proposed additional levy is within the limitations imposed by RCW  
13 84.52.043;  
14

15       **WHEREAS**, RCW 84.52.105 authorizes a city to impose additional regular property  
16 tax levies to finance affordable housing for very low-income households when specifically  
17 authorized to do so by a majority of the voters of the taxing district voting on a ballot  
18 proposition authorizing the levy; and  
19

20       **WHEREAS**, RCW 35.21.685 authorizes a city to assist in the development or  
21 preservation of publicly or privately owned housing for persons of low income by providing  
22 loans or grants of general municipal funds to the owners or developers of the housing,  
23 including loans or grants to finance the acquisition, construction or rehabilitation of low-  
24 income housing, and to provide rental assistance and other supportive services, to low-  
25 income persons;  
26

27       **NOW THEREFORE, THE CITY OF BELLINGHAM DOES ORDAIN:**  
28

29       **Section 1. Findings.** The City Council makes the following findings and declares as  
30 follows:  
31

- 32       A. The City's Consolidated Plan and Housing Element of the Comprehensive Plan identify  
33 insufficient safe, sanitary, and decent housing affordable to low- and very low-income  
34 households to meet the present and anticipated needs of such households, including  
35 homes affordable for local working people, U.S. military veterans, families with children,  
36 people with limited or fixed incomes including senior citizens and people having a  
37 disability.
- 38       B. Affordable rental housing for low-income households, including the homeless, other  
39 persons with special needs, families and seniors, often requires a commitment of City  
40 funds for development or preservation, or other forms of assistance.
- 41       C. Promoting and preserving home ownership for low-income households contributes to  
42 the stability of families and neighborhoods; helps preserve the physical condition of  
43 residential properties; and addresses the shortage of safe, sanitary, affordable housing  
44 both by maintaining and enhancing the supply of owner-occupied housing and by  
45 limiting the demand for scarce low-income rental housing that otherwise would exist  
46 from households unable to afford to purchase homes or to maintain existing homes.

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- 1 D. The additional taxes to be levied under this ordinance will enable the City to provide for  
2 the housing needs of low- and very low-income households and thereby work to fulfill  
3 the purposes of federal, state and City laws and policies, including, without limitation,  
4 the federal HOME Investment Partnerships Act, federal Community Development Block  
5 Grant, the State Growth Management Act and the City's Comprehensive Plan.  
6 E. An emergency exists with respect to the availability of housing that is affordable to very  
7 low-income households in the City of Bellingham.  
8

9 **Section 2. Definitions.** The following terms used in this ordinance shall have the  
10 definitions stated below, unless the context otherwise clearly requires:  
11

- 12 A. "Affordable housing" means residential housing for rental or private individual  
13 ownership which, as long as the same is occupied by low-income households, requires  
14 payment of monthly housing costs, including utilities, other than telephone, of no more  
15 than 30 percent of the household's income.  
16 B. "Low-income housing" means housing that will serve "low-income households."  
17 C. "Household" means a single person, family or unrelated persons living together.  
18 D. "Low-income household" means a household with income less than or equal to eighty  
19 percent (80%) of median income.  
20 E. "Median income" means annual median family income for the statistical area or division  
21 thereof including Bellingham for which median family income is published from time to  
22 time by the U.S. Department of Housing and Urban Development, or successor  
23 agency, with adjustments according to household size.  
24 F. "Very low-income household" means a household with income less than or equal to 50  
25 percent of median income.  
26

27 To the extent permitted by applicable State law, income determinations may take into  
28 account such exclusions, adjustments and rules of computation as may be prescribed or  
29 used under federal housing laws, regulations or policies for purposes of establishing  
30 income limits, or as may be established in City housing and community development plan  
31 documents consistent with federal laws, regulations or policies.  
32

33 **Section 3. Proposition to Authorize Levy of Additional Regular Property Taxes;**  
34 **Affordable Housing Plan.**  
35

36 The City submits to the qualified electors of the City a proposition as authorized by RCW  
37 84.55.050(1), to exceed the levy limitation on regular property taxes contained in Chapter  
38 84.55 RCW for property taxes levied in 2012 through 2018 for collection in 2013 through  
39 2019, respectively. The proposition would also authorize an additional property tax levy for  
40 very low-income housing under RCW 84.52.105. The proposition would raise  
41 approximately \$3,000,000 per year totaling an estimated \$21,000,000 in aggregate over a  
42 period of up to seven years.  
43

- 44 A. The proposition would permit the City to increase its regular property tax levy by up  
45 to \$0.12 per \$1,000 of assessed valuation, resulting in a regular property tax levy of

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1 \$2.62 per \$1,000 for collection in 2013. All the levy proceeds shall be used for the  
2 purposes specified in Section 5 of this ordinance.

3 B. The proposition would also authorize the City to impose an additional regular  
4 property tax levy of up to \$0.24 per \$1,000 of assessed valuation for very low-  
5 income housing pursuant to RCW 84.52.105. The limitations in RCW 84.52.043  
6 shall not apply to the tax levy authorized by this part. All the levy proceeds shall be  
7 used for the purposes specified in Section 5 of this ordinance and may not be imposed  
8 by the City Council until the City adopts an affordable housing financing plan as set  
9 forth in Section 6 of this ordinance.

10 C. The taxes authorized by this proposition will be in addition to the maximum amount of  
11 regular property taxes the City would have been limited to by RCW 84.55.010 in the  
12 absence of voter approval under this ordinance, plus other authorized lid lifts.  
13 Thereafter, such levy amount would be used to compute limitations for subsequent  
14 years as allowed by chapter 84.55 RCW. Pursuant to RCW 84.55.050(5), the maximum  
15 regular property taxes that may be levied in 2019 for collection in 2020 and in later  
16 years shall be computed as if the limit on regular property taxes had not been  
17 increased under this ordinance.

18  
19 **Section 4. Levy Revenues.**

20  
21 A. Unless otherwise directed by ordinance, all revenues collected from the additional  
22 taxes authorized pursuant to this ordinance shall be deposited initially in the Low-  
23 Income Housing Fund to be used as set forth in Section 5 and as described in the Low  
24 Income Housing Administrative and Financing Plans, as may be adopted by the City  
25 Council under Sections 5 and 6 of this ordinance. The Finance Director is authorized to  
26 create other subfunds or accounts within the Low-Income Housing Fund as may be  
27 needed or appropriate to implement the purposes of this ordinance.

28 B. Pending expenditure for the purposes authorized in this ordinance, amounts deposited  
29 in the Low-Income Housing Fund pursuant to this ordinance may be invested in any  
30 investments permitted by applicable law. All investment earnings on the balances shall  
31 be deposited into the Low-Income Housing Fund. Amounts received by the City from  
32 payments with respect to loans, recovery of grants, insurance proceeds or proceeds of  
33 sale or disposition of property ("program income") shall be deposited into the Low-  
34 Income Housing Fund unless otherwise specified by ordinance. Any investment  
35 earnings and program income derived from revenues collected from the additional  
36 taxes authorized pursuant to this ordinance shall be used for the purposes set forth in  
37 this ordinance and as authorized by the City Council.

38  
39 **Section 5. Administration; Use of Proceeds.**

40  
41 A. The levy funds shall be used to pay for affordable housing for low and very low-income  
42 households, pay for affordable housing programs, and otherwise to provide for the  
43 housing needs of low and very low-income households; provided that all funds raised  
44 from the levy authorized by RCW 84.52.105 shall be dedicated to affordable housing  
45 for very low-income households.

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- 1 B. The Planning and Community Development Department, or such other department as  
2 may be designated by ordinance, shall administer programs funded with the additional  
3 taxes authorized pursuant to this ordinance. Any programs adopted by the City Council  
4 for use of the funds derived under this ordinance shall be referred to as "Housing Levy  
5 Programs." Housing Levy Programs shall be implemented consistent with the Low  
6 Income Housing Administrative and Financing Plan, as may be adopted by the City  
7 Council and as may thereafter be amended from time to time.
- 8 C. Anticipated Housing Levy Programs are shown in Exhibit 1, attached hereto. The City  
9 Council, upon recommendation of the Citizen Advisory Committee described in Section  
10 7 of this ordinance, or upon recommendation of the Mayor or on its own motion, may  
11 review the allocations to particular Housing Levy Programs and make changes to the  
12 programs, including additions and deletions of programs and/or in the timing of or  
13 amount of funds allocated to any program, consistent with the purposes of this  
14 ordinance and applicable law. Administration funding shown on Exhibit 1 is intended to  
15 be used for administration of the use of levy proceeds for all programs, including but  
16 not limited to developing the Low Income Housing Administrative and Financing Plan,  
17 preparing and reviewing loan and grant applications, monitoring and auditing  
18 performance and compliance with loan, grant and program requirements, and paying  
19 for financial accounting, legal, and other administrative services necessary to  
20 implement the Housing Levy Programs.

21  
22 **Section 6. Low Income Housing Administrative and Financing Plan.**

- 23  
24 A. The Director of Planning and Community Development, or other such person as may  
25 be designated by the Director or the Mayor, shall prepare a Low Income Housing  
26 Administrative and Financing Plan ("Plan") covering all of the Housing Levy Programs.  
27 The Plan shall cover the period commencing in 2013 and continue through 2019; shall  
28 specify the plan for use of funds raised by the levy authorized by RCW 84.52.105; shall  
29 be consistent with either the locally adopted or state-adopted comprehensive housing  
30 affordability strategy, required under the Cranston-Gonzalez national affordable  
31 housing act (42 U.S.C. Sec. 12701, et seq.), as amended; and shall be approved by  
32 City Council prior to the additional property tax levy being imposed pursuant to RCW  
33 84.52.105.
- 34 B. The expenditure of all funds raised pursuant to this ordinance shall be as set forth in  
35 the Plan adopted by City Council. The City Council reserves the right to amend the  
36 Plan as it may in the future be determined as necessary or appropriate. The Plan  
37 should be done in coordination with the Consolidated Plan and Annual Action Plans  
38 required by HUD for expenditure of HOME and CDBG funds for the benefit of low  
39 income housing and community development needs in the City.
- 40 C. The City Council shall appropriate from the Low-Income Housing Fund, as part of the  
41 City budget or supplementally, such monies derived from the levies authorized in this  
42 ordinance as it deems necessary to carry out the Housing Levy Programs.
- 43 D. The Mayor, or other such person as may be designated by the Mayor, is authorized, for  
44 and on behalf of the City, to select projects for funding and to approve, make and modify  
45 loans, grants or other expenditures to carry out the Housing Levy Programs, provided  
46 that such authority is subject to the appropriation of sufficient funds and consistent with

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1 the Plan approved by City Council pursuant to Sections 5 and 6. The Mayor and his or  
2 her designees are further authorized, for and on behalf of the City, to execute and  
3 deliver such documents and instruments as he or she may determine to be necessary or  
4 appropriate to implement the financing of specific projects or to otherwise carry out the  
5 Housing Levy Programs.  
6

7 **Section 7. Citizen Advisory Committee.**

8 The Community Development Advisory Board ("CDAB"), established pursuant to BMC  
9 2.46.010, shall advise the City Council, Mayor and the Director of Planning and Community  
10 Development regarding the Housing Levy Programs authorized by this ordinance. CDAB  
11 shall advise the Mayor and City Council on the Low Income Housing Administrative and  
12 Financial Plan prepared pursuant to Section 6 of this ordinance. CDAB shall also assist in  
13 monitoring the progress, performance and accomplishment of Housing Levy Programs, and  
14 report such findings to the Mayor and City Council, including any problems and  
15 recommendations on actions to be taken so that the Housing Levy Programs are  
16 conducted in a timely and efficient manner for the benefit of low-income households.  
17

18 **Section 8. Election - Ballot Title.**

19 The City Council hereby requests that the Whatcom County Auditor, as *ex officio*  
20 supervisor of elections, submit to the qualified electorate of the City for a vote, at the  
21 November 6, 2012 general election, a proposition substantially in the form set forth in this  
22 ordinance. The City Clerk is directed to certify to the Whatcom County Auditor the ballot  
23 proposition to the electorate of the City in the form substantially as follows:  
24

25 PROPOSITION NO. 1  
26 Low-Income Housing Levy  
27

28 The City of Bellingham Council adopted Ordinance No. 2012-06-033  
29 concerning property taxes for low-income housing assistance.  
30

31 This proposition would fund housing and housing services for  
32 people with low or very low incomes, including those with  
33 disabilities, veterans, seniors, and families with children by (a)  
34 authorizing an increase in the City's regular property tax levy by  
35 up to \$0.12/\$1,000 to \$2.62/\$1,000 of assessed value as allowed  
36 by RCW 84.55; and (b) authorizing a regular property tax levy of  
37 up to \$0.24/\$1,000 of assessed value under RCW 84.52.105,  
38 each for seven years, generating approximately \$3,000,000  
39 annually. Should this proposition be approved?  
40

41 Yes?.....

42 No? .....

43  
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City Attorney  
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1 **Section 9. Corrections.**

2 The Bellingham City Attorney's Office or the Auditor or her designee is authorized to make  
3 necessary clerical corrections to this ordinance including, but not limited to, the correction of  
4 scrivener's or clerical errors, references, ordinance numbering, section/subsection numbers  
5 and any references thereto.  
6

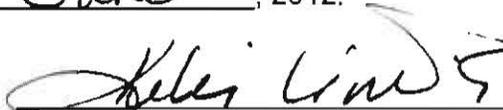
7 **Section 10. Severability.**

8 If any section, sentence, clause or phrase of this resolution should be held to be invalid or  
9 unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality  
10 shall not affect the validity or constitutionality of any other section, sentence, clause or  
11 phrase of this resolution.  
12

13 **PASSED** by the Council this 18th day of June, 2012.

14  
15   
16 \_\_\_\_\_  
17 Council President  
18  
19

20  
21  
22  
23  
24 **APPROVED** by me this 22nd day of June, 2012.

25  
26  
27   
28 \_\_\_\_\_  
29 Mayor  
30

31  
32 **ATTEST:**   
33 \_\_\_\_\_  
34 Finance Director  
35

36  
37 **APPROVED AS TO FORM:**  
38   
39 \_\_\_\_\_  
40 Office of the City Attorney  
41

42  
43 Published:  
44  
45 June 22, 2012  
46

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1  
2  
3

EXHIBIT 1  
2013 HOUSING LEVY PROGRAMS

Program	Total Funding (7 Years)	Estimated Housing Produced/Households Assisted	Program Description/Affordability Levels
Production and Preservation of Homes	\$15,980,000	429 homes (serving 8,500 families over the useful life of these properties).	<ul style="list-style-type: none"> <li>Homes for people working at minimum wage, veterans, seniors on fixed incomes, and people exiting homelessness (households at or below 30% of median income)</li> <li>Homes for local workers, working families up to 60% of median income</li> <li>Affordable and specialized homes for veterans, people with disabilities, and seniors.</li> <li>Rehabilitation and weatherization to increase affordability and preserve existing affordable homes</li> </ul>
Rental Assistance and Support Services	\$1,880,000	800 homes	<ul style="list-style-type: none"> <li>Supportive services matched to specialized homes for disabled veterans and chronically homeless individuals to help them retain their homes and reduce costly care in hospital emergency department and other inappropriate systems of care</li> <li>Temporary and long-term assistance to families and individuals to help preserve their housing, prevent eviction and homelessness (targeted households at or below 50% of median income)</li> </ul>
Low-income homebuyer assistance	\$940,000	50 homes	<ul style="list-style-type: none"> <li>Assistance to low-income homebuyers, including programs that promote long-term affordability of ownership housing (targeted to households at or below 80% of median income)</li> </ul>
Acquisition and Opportunity Loans	\$940,000	50 homes	<ul style="list-style-type: none"> <li>Short-term loans for strategic purchases of buildings or land for rental or homeownership housing development that will serve low-income households</li> </ul>
Administration	\$1,260,000	n/a	

4

HOME FUND ORDINANCE

(9)

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# **ORDINANCE**

**19-19**

FINAL

09/05/19

NYT

**ORDINANCE NO. 19- 19**

AN ORDINANCE AMENDING HILLSBOROUGH COUNTY CODE OF LAWS AND ORDINANCES PART A, CHAPTER 40, CREATING A NEW ARTICLE IV TITLED THE HOPE AFFORDABLE HOUSING ACT; PROVIDING DEFINITIONS; ESTABLISHING THE HILLSBOROUGH COUNTY LOCAL AFFORDABLE HOUSING PROGRAM AND DESCRIBING THE PURPOSE THEREOF; ESTABLISHING THE HILLSBOROUGH COUNTY AFFORDABLE HOUSING TRUST FUND; PROVIDING FOR ALLOCATION OF FUNDS FOR THE PROGRAM; PROVIDING FOR ADOPTION OF A LOCAL AFFORDABLE HOUSING FUND BIENNIAL PLAN; PROVIDING FOR THE USE OF PROGRAM FUNDS; PROVIDING FOR ADMINISTRATION OF THE PROGRAM; PROVIDING FOR INCLUSION IN THE HILLSBOROUGH COUNTY CODE; PROVIDING FOR SEVERABILITY; PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Board of County Commissioners of Hillsborough County recognizes that Hillsborough County has experienced rapid population growth over the past five years and that these growth trends are predicted to continue; and

WHEREAS, such growth places pressure on the housing market and causes an increase in rents and home prices; and

WHEREAS, approximately 40% of households in Hillsborough County are considered cost-burdened because they pay more than 30% of household income for rent or mortgage costs; and

WHEREAS, cost-burdened households have less income to spend on basic needs such as food, transportation, education and medical care; and

WHEREAS, an adequate supply of safe, decent and affordable housing at all income levels is critical to healthy families, helps create and maintain jobs, and impacts the quality of life and economic prosperity of the community; and

WHEREAS, the Board of County Commissioners of Hillsborough County finds that the Federal and State funds received by the County for preserving and producing affordable housing are insufficient to meet community needs; and

WHEREAS, the Board of County Commissioners desires to establish a local program for preserving and developing affordable housing that is sufficiently flexible to meet varied and evolving housing needs and priorities while providing housing that is safe, sound, and financially viable; and

WHEREAS, it is the intent of the Board of County Commissioners that revenue sources for this local affordable housing program be identified during the County's annual budgeting process; and

WHEREAS, on April 17, 2019, the Board of County Commissioners approved a motion directing the drafting of an ordinance establishing an affordable housing trust fund; and

WHEREAS, a duly noticed public hearing was held by the Board of County Commissioners of Hillsborough County, at which public hearing all interested persons were given an opportunity to be heard.

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF COUNTY COMMISSIONERS OF HILLSBOROUGH COUNTY, FLORIDA, THIS 5TH DAY OF SEPTEMBER, 2019, AS FOLLOWS:

**SECTION 1.** The recitations above are true and correct and are incorporated herein by reference.

**SECTION 2.** The Hillsborough County Code of Laws and Ordinances, Part A, Chapter 40, is hereby amended to create a new article to be numbered Article IV and entitled the “HOPE Affordable Housing Act”, which shall hereafter read as follows:

**Article IV. HOPE AFFORDABLE HOUSING ACT**

**Sec. - 40-93. Definitions**

For the purposes of this article, the following definitions apply:

*Hillsborough County Affordable Housing Trust Fund or Fund* means the fund established pursuant to this article.

*Hillsborough County Local Affordable Housing Fund Program or Program* means the program established pursuant to this article for the purpose of promoting the preservation and production of affordable housing for very low, low and moderate income households in Hillsborough County.

*Low income household* means one or more natural persons or a family that has a total annual gross household income that does not exceed 80 percent of the median annual income adjusted for family size for households in Hillsborough County within the Tampa-St. Petersburg-Clearwater metropolitan statistical area, as published by the U.S. Department of Housing and Urban Development.

*Moderate income household* means one or more natural persons or a family that has a total annual gross household income that does not exceed 100 percent of the median annual income adjusted for family size for households in Hillsborough County within the Tampa-St. Petersburg-Clearwater metropolitan statistical area, as published by the U.S. Department of Housing and Urban Development.

*Very low income household* means one or more natural persons or a family that has a total annual gross household income that does not exceed 50 percent of the median annual income adjusted for family size for households in Hillsborough County within the Tampa-St. Petersburg-Clearwater metropolitan statistical area, as published by the U.S. Department of Housing and Urban Development.

**Sec. - 40-94. Establishment of Hillsborough County Local Affordable Housing Fund Program; Purpose**

There is hereby established the Hillsborough County Local Affordable Housing Fund Program (the "Program"). The Program is established for the purpose of promoting the preservation and production of affordable housing for very low, low and moderate income households in Hillsborough County.

**Sec. 40-95. – Establishment of Hillsborough County Affordable Housing Trust Fund**

The Clerk, as accountant for the Board of County Commissioners, is hereby directed to establish and maintain a fund known as the Hillsborough County Affordable Housing Trust Fund within the accounts of the Board of County Commissioners.

**Sec. 40-96. - Allocation and Use of Funds for Program; Annual Budget Preparation**

(a) All monies allocated by the Board of County Commissioners for the Program shall be appropriated in the Fund. Monies deposited in the Fund, including any interest earnings on such monies and repayments of loans made from such monies, shall be used solely for the purposes of the Program as provided in this article, except that the Board of County Commissioners may determine in a public hearing, by majority vote plus one, that monies allocated to the Program but not committed or expended may be reallocated to meet another urgent community need.

(b) In preparing the proposed annual budget for each fiscal year for submission to the Board of County Commissioners, the County's Budget Officer shall insure that each such budget includes an allocation of at least \$10,000,000 in new Countywide General Fund monies for the Program and the inclusion in the Fund as an account balance of any monies previously allocated to the Program and interest earned on such monies which were not expended for the Program within the prior fiscal year.

**Sec. 40-97. – Hillsborough County Local Affordable Housing Fund Biennial Plan**

(a) Within three months of the adoption of this Ordinance and then biennially thereafter, the Affordable Housing Services Department shall submit a recommended Local Affordable Housing Fund Biennial Plan, which, for purposes of this article, shall be referred to as the "Plan", to the Board of County Commissioners for consideration. The recommended Plan shall be prepared by the Affordable Housing Services Department with the approval of the County's Affordable Housing Advisory Board.

(b) The Board of County Commissioners shall adopt a Local Affordable Housing Fund Biennial Plan following a public hearing. The first such Plan shall be adopted within six months of the adoption of this Ordinance, and a new Plan shall be adopted every two years thereafter

addressing the approved strategies for and uses of allocated funds. The Board of County Commissioners may consider more frequent updates to the Plan as necessary.

(c) The Plan shall include:

- (1) The priorities for the expenditure of funds allocated to the Program.
- (2) The strategies which will be eligible for assistance under the Program.
- (3) A description of the affordability restrictions and requirements and loan and grant terms applicable for each adopted strategy.
- (4) A description of how funds from the Program will be distributed among very low income, low income and moderate income households.
- (6) A description of the procedure for selecting projects receiving funding under the Program.
- (7) A summary of the use of the Program funds in the immediately preceding two-year period.

**Sec. 40-98. - Use of Program Funds**

(a) Funds allocated to the Program shall be used to provide loans and grants for projects to create and sustain affordable housing for very low, low or moderate income households in Hillsborough County.

(b) The Program shall include, without limitation, providing assistance through production, acquisition, rehabilitation and preservation of land and/or housing units for rental and homeownership activities. Program funds shall not be used for supportive housing services such as daycare or job training.

(c) Not more than 5 percent of the funds allocated to the Program may be used to cover administrative expenses.

(d) Not less than 30 percent of the funds allocated to the Program shall be spent on affordable housing for very low income households.

(e) Not less than 30 percent of the funds allocated to the Program shall be spent on affordable housing for low income households.

**Sec. - 40-99. Program Administration**

(a) The Program shall be administered by the Affordable Housing Services Department on behalf of the Board of County Commissioners and consistent with the adopted Plan. It shall be the responsibility of the Affordable Housing Services Department to develop and implement policies and procedures necessary for operation of the Program.

(b) The Affordable Housing Services Department shall disburse Program funds consistent with the Plan and its adopted policies and procedures, and shall monitor the use of Program funds for compliance with the purposes of the Program and the conditions pursuant to which the funds were granted or loaned. The Affordable Housing Services Department shall also maintain the financial and other records of the Program.

(c) All projects to be awarded Program funding shall be approved by the Board of County Commissioners.

**SECTION 3. INCLUSION IN THE HILLSBOROUGH COUNTY CODE**

The provisions of this Ordinance shall be included and incorporated in the Hillsborough County Code, as an addition or amendment thereto, and shall be appropriately renumbered to conform to the uniform numbering system of the Hillsborough County Code.

**SECTION 4. SEVERABILITY**

If any section, subsection, sentence, clause, phrase or provision of this Ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such holding shall not be construed to render the remaining provisions of this Ordinance invalid or unconstitutional.

**SECTION 5. FILING OF ORDINANCE AND EFFECTIVE DATE**

This Ordinance shall be effective immediately upon receipt of acknowledgement that a copy of this Ordinance has been filed with the Secretary of State.

STATE OF FLORIDA

COUNTY OF HILLSBOROUGH

I, PAT FRANK, Clerk of the Circuit Court and Ex-Officio of the Board of County Commissioners of Hillsborough County, Florida, do hereby certify that the above and foregoing is a true and correct copy of an Ordinance adopted by the Board of County Commissioners at its regular meeting of September 5, 2019, as the same appears of record in Minute Book 520 of the Public Records of Hillsborough County, Florida.

WITNESS my hand and official seal this 10th day of September, 2019.

PAT FRANK, CLERK

By: Minda O.K. Ditt  
Deputy Clerk



APPROVED BY COUNTY ATTORNEY

By: [Signature]  
Approved as to Form and Legal Sufficiency



## FLORIDA DEPARTMENT *of* STATE

**RON DESANTIS**  
Governor

**LAUREL M. LEE**  
Secretary of State

September 10, 2019

Honorable Pat Frank  
Clerk of the Circuit Court  
Hillsborough County  
419 Pierce Street, Room 140  
Tampa, Florida 33601

Attention: Midge Dixon

Dear Mrs. Frank:

Pursuant to the provisions of Section 125.66, Florida Statutes, this will acknowledge receipt of your electronic copy of Hillsborough County Ordinance No. 19-19, which was filed in this office on September 10, 2019.

Sincerely,

Ernest L. Reddick  
Program Administrator

ELR/lb

**STATE OF SOUTH CAROLINA  
COUNTY COUNCIL FOR RICHLAND COUNTY  
ORDINANCE NO. ###-####**

**ORDINANCE TO CREATE A HOUSING TRUST FUND FOR RICHLAND COUNTY**

AN ORDINANCE AMENDING THE RICHLAND COUNTY CODE OF ORDINANCES **CHAPTER 40, CREATING A NEW ARTICLE ## TITLED RICHLAND COUNTY AFFORDABLE HOUSING ACT;** PROVIDING DEFINITIONS; ESTABLISHING THE RICHLAND COUNTY LOCAL AFFORDABLE HOUSING PROGRAM AND DESCRIBING THE PURPOSE THEREOF; ESTABLISHING THE RICHLAND COUNTY AFFORDABLE HOUSING TRUST FUND; PROVIDING FOR ALLOCATION OF FUNDS FOR THE PROGRAM; PROVIDING FOR ADOPTION OF A LOCAL AFFORDABLE HOUSING FUND BIENNIAL PLAN; PROVIDING FOR THE USE OF PROGRAM FUNDS; PROVIDING FOR ADMINISTRATION OF THE PROGRAM; PROVIDING FOR INCLUSION IN THE RICHLAND COUNTY CODE; PROVIDING FOR SEVERABILITY;  
PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Council of Richland County recognizes the lack of affordable housing is a major concern of its citizens; and

WHEREAS, the Council of Richland County recognizes that approximately 45% of households in Richland County are considered cost-burdened because they pay more than 30% of household income for rent or mortgage costs; and

WHEREAS, cost-burdened households have less income to spend on basic needs such as food, transportation, education, and medical care; and

WHEREAS, an adequate supply of safe, decent and affordable housing at all income levels is critical to healthy families, helps create and maintain jobs, and impacts the quality of life and economic prosperity of the community; and

WHEREAS, the Council of Richland County desires to establish a local program for preserving and developing affordable housing that is sufficiently flexible to meet varied and evolving housing needs and priorities while providing housing that is safe, sound, and financially viable; and

WHEREAS, it is the intent of the Council of Richland County that revenue sources for this local affordable housing program be identified during the County's annual budgeting process and through a county-wide public referendum; and

WHEREAS, on **(DATE)** the Council of Richland County approved a motion directing the drafting of an ordinance establishing an affordable housing trust fund; and

WHEREAS, a duly noticed public hearing was held by the Council of Richland County, at which public hearing all interested persons were given an opportunity to be heard.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF RICHLAND COUNTY OF RICHLAND COUNTY, SOUTH CAROLINA, THIS #TH DAY OF (MONTH), 2020, AS FOLLOWS:

The recitations above are true and correct and are incorporated herein by Reference #, is hereby amended to create a new article to be numbered Article # and entitled the "Richland County Affordable Housing Act", which shall hereafter read as follows:

**Article #.** RICHLAND COUNTY AFFORDABLE HOUSING TRUST FUND ACT

**SECTION 1: Definitions**

For the purposes of this article, the following definitions apply:

“Richland County Affordable Housing Trust Fund” or “Fund” means the fund established pursuant to this article.

“Richland County Affordable Housing Fund Program” or “Program” means the program established pursuant to this article for the purpose of promoting the preservation and production of affordable housing for very low and households in Richland County.

“Affordable Housing” means residential housing for rent or sale that is appropriately priced for rent or sale to a person or family whose income does not exceed 80% of the median income for the local area (AMI), with adjustments for household size, according to the latest figures available from the United States Department of Housing and Urban Development (HUD), so that no more than 30% of that person’s income is spent on rent/mortgage and utilities.

“Low-Income Household” means one or more natural persons or a family that has a total annual gross household income that does not exceed 80 percent of the median annual income adjusted for family size for households in Richland County within the Columbia, SC metropolitan statistical area, as published by the U.S. Department of Housing and Urban Development.

“Very Low Income Household” means one or more natural persons or a family that has a total annual gross household income that does not exceed 50 percent of the median annual income adjusted for family size for households in Richland County within the Columbia, SC metropolitan statistical area, as published by the U.S. Department of Housing and Urban Development.

**SECTION 2: Establishment of Richland County Affordable Housing Fund Program and Purpose**

There is hereby established the Richland County Affordable Housing Trust Fund Program (the "Program"). The Program is established for the purpose of promoting the production and preservation of affordable housing for very low- and low-income households in Richland County.

**SECTION 3: Establishment of Richland County Affordable Housing Trust Fund**

The Clerk, as accountant for the Board of County Commissioners, is hereby directed to establish and maintain a fund known as the Richland County Affordable Housing Trust Fund within the accounts of a nonprofit organization to be created and entitled the “Richland County Affordable Housing Trust Fund.”

**SECTION 4: Funding**

The Affordable Housing Trust Fund shall be funded by an annual budgeted allocation of funds from the County (specificity of source) and by millage amounts determined by public referenda. Other sources of funding may include, but are not limited to:

- A. Private cash donations from individuals and corporations designated for the Richland County Affordable Housing Trust Fund.
- B. Payments from developers in lieu of participation in current or future affordable housing programs.
- C. Matching funds from a federal or state affordable housing trust fund; or a state program designated to fund an affordable housing trust fund.
- D. Principal and interest from Affordable Housing Trust Fund loan repayments and all other income from Trust Fund activities.
- E. The sale of real and personal property.
- F. Local government appropriations, development fees, and other funds as designated from time to time by the county council.
- G. Tax Increment Finance (TIF) pooled funds.

**SECTION 5: Allocation and Use of Funds for Program; Annual Budget Preparation**

(a) All monies allocated by the Council of Richland County for the Program shall be appropriated in the Fund. Monies deposited in the Fund, including any interest earnings on such monies and repayments of loans made from such monies, shall be used solely for the purposes of the Program as provided in this article.

(b) In preparing the proposed annual budget for each fiscal year for submission to the Council of Richland County, the County's Budget Officer shall insure that each such budget includes an allocation of at least \$500,000 in new Countywide General Fund monies for the Program and the inclusion in the Fund as an account balance of any monies previously allocated to the Program and interest earned on such monies which were not expended for the Program within the prior fiscal year.

**Section 5.1: Use of Program Funds**

(a) Funds allocated to the Program shall be used to provide grants and low-interest, long term loans for projects to create, rehabilitate and sustain affordable housing for very low- or low-income households in Richland County.

(b) The Program shall include, without limitation, providing assistance through production, acquisition, rehabilitation and preservation of land and/or housing units for rental and homeownership activities. Program funds shall not be used for supportive housing services such as daycare or job training.

(c) Not more than **X** percent of the funds allocated to the Program may be used to cover administrative expenses.

(d) Not less than 50 percent of the funds allocated to the Program shall be spent on affordable housing for very low-income households.

(e) Not less than 30 percent of the funds allocated to the Program shall be spent on affordable housing for low income households.

#### **SECTION 6: Program Administration**

(a) The Program shall be administered by a publicly chartered nonprofit organization created on behalf of the Council of Richland County and consistent with the adopted Plan. It shall be the responsibility of the Board of the nonprofit organization to develop and implement policies and procedures necessary for operation of the Program.

(b) The Board of the Richland County Affordable Housing Trust Fund shall disburse Program funds consistent with the Plan and its adopted policies and procedures and shall monitor the use of Program funds for compliance with the purposes of the Program and the conditions pursuant to which the funds were granted or loaned. The Affordable Housing Services Department shall also maintain the financial and other records of the Program.

(c) All projects to be awarded Program funding shall be approved by the Board of the Richland County Affordable Housing Trust Fund.

#### **SECTION 7: Governance**

The Program shall be administered by an administrative board of 11 members representing the following fields and interests.

1. Development/Constructions or Real-Estate
2. Banking/Finance
3. Legal
4. Non-Profit Organization
5. For-Profit Organization
6. Low-Income Individual
7. Very Low-Income Individual
8. Education and/or Medical
9. Community Advocate
10. Columbia City Council
11. Richland County Council

#### **Section 7.1: Powers and Duties of the Board**

The Program Board may use its funds to assist proposed projects or programs to develop or preserve affordable housing for persons of very low- and low- income to include:

- A. Providing gap financing for affordable housing developments.

- B. Making loans at interest rates below or at market rates in order to strengthen the financial feasibility of proposed projects.
- C. Guaranteeing of low-interest, long term loans.
- D. Financing the acquisition, demolition, and disposition of property for affordable housing projects.
- E. Financing construction of public improvements and utilities to aid proposed affordable residential developments.
- F. Financing the rehabilitation, remodeling, or new construction of affordable housing.
- G. Tenant and project based rental assistance.
- H. Funding for acquisition and rehab in conjunction with related housing trust fund projects.
- I. Funding to facilitate affordable homeownership opportunities including down payment assistance, second mortgages, closing costs, etc.
- J. Administrative costs associated with affordable housing programs.
- K. Interim financing of public costs for affordable housing projects in anticipation of a permanent financing source (i.e. construction financing, bond sale, etc.)

**Section 7.2: Director**

There is hereby created the position of Richland County Affordable Housing Trust Fund (AHTF) Executive Director. The Executive Director shall be hired by and report to the county administrator. The Executive Director shall be a person with education, training, skills, and/or experiences that are satisfactory to the county administrator and a majority of the Program Board.

**Section 7.3: Staff, Personnel, and Compensation**

The Executive Director shall have staff and assistants as are necessary to the operation of the Fund and the performance of his/her duties. They shall be subject to the county personnel system and their compensation determined accordingly.

**SECTION 8: Accountability and Reporting**

The Program shall report annually, or as requested, to the Richland County Council on the use of the Affordable Housing Trust Fund account including, but not limited to:

- A. The number of grants and loans made,
- B. The number and types of residential units assisted through the account,
- C. The number of households for whom rental assistance payments were provided,
- D. Amount of funds leveraged,
- E. Amount of funds used

Richland County shall provide the full report to the public annually and post the report on its website.

**SECTION 9: Inclusion in The Richland County Code**

The provisions of this Ordinance shall be included and incorporated in the **Richland County Code**, as an addition or amendment thereto, and shall be appropriately renumbered to conform to the uniform numbering system of the **Richland County Code**.

**SECTION 10: Severability**

If any section, subsection, sentence, clause, phrase, or provision of this Ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such holding shall not be construed to render the remaining provisions of this Ordinance invalid or unconstitutional.

**SECTION 11: Filing of Ordinance and Effective Date**

This Ordinance shall be effective immediately upon receipt of acknowledgement that a copy of this Ordinance has been filed with the Secretary of State.

# HOUSING FACT SHEET

Prepared by the MORE Justice Housing Committee (April 2020)

## THE “WORKING POOR” CAN’T FIND AFFORDABLE HOUSING

- More than 16,000 households in Columbia pay more than 30% of their income on rent and utilities. (Columbia City Consolidated Plan)
- In Richland County, nearly half of renters (44.8%) pay more than a third of their income on rent and utilities. (Richland County Consolidated Plan)
- A person earning minimum wage in Lexington or Richland County would have to work 89 hours a week in order to afford an average one-bedroom apartment at the average price. (NLIHC)
- Often, it is simply a one-time emergency that causes a family to not be able to pay their rent for the month, which can lead to eviction.

## THERE IS NOT ENOUGH AFFORDABLE HOUSING TO MEET THE NEED

- There is a significant gap in availability of affordable rental properties for very-low income residents.
  - Rental market gaps are the difference between the number of rental units available in a given price range compared to the number of renters for whom the given price range is the maximum that can be considered affordable.
- In Richland County, less than 4,000 units are available at \$370 per month, even though this is the maximum affordable rent for 13,500 families. That means, there is only one affordable unit per every three families that desperately need it. (Richland County Consolidated Plan)
- There are more than 23,000 families currently on the waiting list for public housing through the Columbia Housing Authority. Additionally, registration for public housing programs has been closed for more than two years. (Columbia City Officials)
- Richland Two School Officials estimate that half of their 28,000 students are “housing insecure.” (Richland 2 McKinney Vento Representative)

## PEOPLE ARE GETTING EVICTED AT HIGH RATES

- Columbia, SC has the 8th highest eviction rate of any city in the nation. (Eviction Lab)
- An average of 19 households are evicted every day in Richland County. In Lexington County, it is seven households. (Eviction Lab)
- The main reason that these families are getting evicted at these high rates is because rent prices are too high.
- Racial disparities in access to affordable, quality housing are commonplace – for example, while only about 25% of the local population is made up of black women, black women make up more than 90% of all those evicted in Richland County. (Newberry College Professor)

## THERE ARE HIGH SOCIAL COSTS TO UNSTABLE HOUSING

- Not having access to stable housing can lead to different health and social problems.
- In Richland One and Richland Two alone, there are more than 1,500 students registered as “homeless” under the McKinney Vento Act. Homelessness or unstable/unsafe housing leads to poorer academic achievement and health outcomes. (Richland 2 McKinney Vento Rep; Newberry College Professor)
- When students move schools (for example, due to unstable housing) it takes six months to catch up. (Richland 2 McKinney Vento Representative)
- Over a six-year period in the Midlands, less than 500 chronically homeless people accumulated more than \$245 million dollars in Medicaid costs. That is nearly \$600,000 per person. Communities are finding that one way to drive down these medical costs is through the creation of safe, stable housing. (United Way of the Midlands Study)

## SOURCES CITED:

- **Richland County Consolidated Plan:**  
<http://www.richlandcountysc.gov/Portals/0/Departments/CommunityDevelopment/20170823RCConsolidated.PDF>
- **City of Columbia Consolidated Plan:**  
<https://www.columbiasc.net/depts/communitydevelopment/Columbia%20ConPlan%2005-14-2018.pdf>
- **Eviction Lab:** [evictionlab.org](http://evictionlab.org)
- **United Way of the Midlands Healthcare and Homelessness Data Linkage Study:**  
<https://www.uway.org/sites/default/files/files/Health%20Care%20and%20Homelessness.pdf>
- **National Low Income Housing Coalition (NLIHC):** <https://nlihc.org/oor/south-carolina>

# **What is an Affordable Housing Trust Fund (HTF)?**

## **What is a Housing Trust Fund (HTF)?**

- HTF's are established by elected governmental bodies (at the city, county, or state level). A source or sources of public revenue are dedicated, by ordinance or law, to a distinct fund with the express purpose of providing affordable housing.
- HTF's have been enacted by hundreds of governments across the United States.
- There are more than 780 housing trust funds in existence in the US that generate more than \$1.5 billion a year for affordable housing.

## **How is the HTF funded?**

- HTF's are funded by various public revenue sources. Housing Trust Funds are flexible in that they can be funded from multiple public revenue sources. Some examples are:
  - General fund
  - Bond proceeds
  - Grants
  - Loans from the state and federal government
  - State capital budget
  - Residential impact fees
  - Developer impact fees
  - Document recording fee
  - Tax foreclosure sale
  - Hotel/Motel tax
  - Accomodation tax
  - Inclusionary in-lieu of fees
  - Parking fees

## **Why are housing trust funds successful?**

- HTF's are successful because of their flexibility. The public money allocated to the HTF is a down payment that is backed by sources of other public and private funds. This is called leveraging, because the money in the HTF attracts public and private funds from a variety of sources that would not be available without the trust fund.
  - Sources Leveraged by the Housing Trust Fund
    - Governmental bonds
    - Grants
    - State Funding
    - Federal Funding
    - Low Income Tax Credits
    - Philanthropic Donations
    - Bank Loans

- According to the Center for Community Change, the average amount of public and private funds leveraged for every \$1 in the HTF is \$8.50. The HTF offers a huge return on investment.
  - Examples from across the country
    - In 2004, the Milwaukee Housing Trust Fund used a \$5 million allocation and leveraged \$25 million in other funding to create 200 units of housing. The construction of these new homes resulted in: 200 jobs created during construction, \$1.2 million in new fee and tax revenue, and \$10 million into the local economy. After construction: 94 jobs remained, \$760,000 in new fee and tax revenue, and \$4.4 million in the local economy.
    - In five years, the Connecticut Housing Trust fund used \$57 million in allocations and leveraged \$519 million in other federal, state, local, and private funding to create 2,200 units. This led to over 4,000 jobs created, \$14 million in recurring state and local revenue, and hundreds of millions in economic activity.

### **How is the housing trust fund administered?**

- **Non-Governmental Agency Model:** Typically established by governmental action and then administered by a separate nonprofit or community foundation. Under this model, a board oversees and hires the staff for the nonprofit.

### **How are the funds distributed?**

- There are a variety of ways that funds can be distributed, but the most common are in the form of: grants, loans, forgivable or deferred loans, lines of credit, or rental assistance.
- Requests for proposals (RFP) or notices of funding availability (NOFA) are issued periodically for prospective applicants.

### **Who can apply for housing trust fund dollars?**

- HTF's attract a diverse group of applicants: non-profit developers, for-profit developers, housing authorities, governmental agencies, and regional organizations.

### **What is the target income?**

- Because HTF's utilize public funds, it should meet the public need.
- Most HTF's target a specific income area - generally households at 50% and below of the area median income (AMI), as defined by the U.S. Department of Housing and Urban Development (HUD).

MORE Justice Housing Committee  
Affordable Housing Trust Fund Priorities

**Qualities we would like to see in the Trust Fund:**

- Have a significant portion of funds (around 70-75%) reserved for serving those at or below 50% AMI. (\$34,450/annually for family of four)
- Oversight Board with participation from the Richland County Council, City of Columbia Council, MORE Justice, and other nonprofit stakeholders (ex: Habitat for Humanity, Homeless No More, SC Uplift, etc.)
- Funding to be designated to housing in local municipalities (City of Columbia/Richland County).
- Funds can be used for multiple purposes, including the creation and rehabilitation of affordable housing.
- Funds will be dispersed as grants or low-interest, long and short-term loans (at or below market rate).
- Projects retain an affordability period of at least 30 years.
- Trust Fund will report annually on its activity to the oversight board, the city, and the county.
- Publicly-chartered 501c3.
- Board will be governed by SC Conflict of Interest Laws ([https://www.lawserver.com/law/state/south-carolina/sc-code/south\\_carolina\\_code\\_34-28-440](https://www.lawserver.com/law/state/south-carolina/sc-code/south_carolina_code_34-28-440))
- All meetings of the board will be open to the public.

# Affordable Housing Task Force Report

*City of Columbia, South Carolina*

**Affordable housing is a continuum of equitable, inclusive, and quality rental and homeownership opportunities for people at every income level, which is critical to creating safe, complete, and thriving communities.**

Councilwoman Tameika Isaac Devine, Chair  
John Andoh, The Comet  
Jeff Armstrong, Family Promise  
Julie Ann Avin, MIRCI  
Reggie Barner, The Barner Group  
Sue Berkowitz, SC Appleseed Legal Justice Center  
Brenna Bernardin, Fast Forward  
Dr. Bryan P. Grady, SC State Housing  
Dylan Gunnels  
Tonya Isaac, North Columbia Resident  
Ivory Matthews, Columbia Housing Authority

Mary Louise Resch, Habitat for Humanity  
Jeff Larimore, Midlands Housing Trust Fund  
Jennifer Moore, United Way  
Shayla Riley, Coldwell Banker  
Lila Anna Sauls, Homeless No More  
Gregory Sprouse, Central Midlands COG  
Councilwoman Allison Terracio, Richland County  
Regina Williams, Booker Washington Heights  
Lester Young, Just Leadership  
Jim Zieche, More Justice  
Chris Zimmer, Truist Bank

## **Facts:**

- There is a statewide shortage of over 87,000 homes affordable and available to extremely low-income (ELI) households, those earning no more than 30 percent of area median income, according to the National Low Income Housing Coalition, making this group uniquely unlikely to have access to safe, decent, and affordable housing.
- Nearly 7,500 low-income renter households in Columbia are experiencing particularly unaffordable or substandard housing conditions, representing 30 percent of all renters citywide. This includes all cost burdened ELI renters, as well as severely cost burdened very low-income renters and all low-income renters living in homes that are overcrowded or lacking the most basic amenities.

## **Affordable Housing Unit Goal:**

To adequately address the needs of affordable housing in our community, it is imperative that we set aggressive but realistic goals to help add or preserve affordable housing units giving special attention to low income and extremely low income resident needs. The AHTF will monitor 2021 building permits and certificates of occupancy to establish unit goals for 2022, 2023, and 2024.

## **Committee Priorities:**

### ***Accessibility - Julie Ann Avin, Chair***

The accessibility committee will delve into solutions for making access to quality affordable housing a reality for people within special populations i.e., people with mental illness, formerly incarcerated persons, people with disabilities, seniors and other populations.

***Financing - Mr. Reggie Barner, Chair***

The financing committee will identify effective affordable housing financing tools that can be utilized. Current tools under consideration include, but are not limited to the City of Columbia local affordable housing tax abatement program, social impact fund for private investors, an affordable housing bond, one cent sales tax program, tax increment financing, multi-county industrial park legislation, unclaimed state funds, land banks, an affordable housing impact fee, and a county-wide trust fund.

***Legal & Zoning - Sue Berkowitz and Ms. Lila Anna Sauls, Co-Chairs***

The legal & zoning committee will review laws needed to advance affordable housing opportunities, laws that are an impediment to affordable housing, and zoning changes necessary to support the development of more affordable housing. Other areas of focus include mechanisms to address the issue of providing assistance and funding for persons facing eviction and innovative ideas for the reuse of abandoned properties like hotels and motels.

***Partnerships - Jennifer Moore, Chair***

The partnerships committee will bring together partners, such as other nonprofits and community based organizations that can help support the mission of the Affordable Housing Task Force.

***Public Education & Awareness Committee - Brenna Bernadin, Chair***

In collaboration with the partnerships committee, the public education & awareness committee will develop a strategy to help communicate the message of what affordable housing is and why it is needed, while working to dispel negative stereotypes about affordable housing and who we serve. We want to start a success story model. The goal is to demonstrate the worth and positive side of affordable housing, to debunk the myths, and work with opposition.

**OUTREACH CATEGORIES**

