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Advocates Push for Changes to Proposed Land Bank Ordinance.

There is close to $20 million earmarked for affordable housing development in the next five years, but a proposed ordinance for a new land bank corporation that could leverage those funds is the subject of a disagreement between housing justice advocates and city officials.

Over the weekend, ahead of the Charlottesville City Council meeting on Monday, organizers with the Public Housing Association of Residents called for the council to "Keep the Land Bank Clean."

Though city officials say they want the land bank's primary goal to be the development of affordable housing, housing justice activists are concerned that city staff wants several high-level city officials to serve as the initial members of the governing board and create bylaws, policies and procedures after the ordinance is approved.

Initially endorsed by the council last fall, the proposed ordinance would enable the creation of a corporation that could acquire and remit property for the development of affordable housing or certain public uses.

A staff report on the proposed ordinance shows city staff and members of the Housing Advisory Committee, which was tasked with working with staff to obtain community input on the proposal, came up with slightly divergent recommendations for the proposal.

In a post shared on PHAR's Facebook page Saturday, the group asked that there be community control and transparency for the proposed land bank corporation.

Brandon Collins, an organizer with the resident association, echoed other concerns mentioned in the post.

He said he is concerned city officials could bypass the Charlottesville Redevelopment and Housing Authority and make "sweetheart deals" with private developers that will result in the creation of housing that is still unaffordable for extremely low-income households making less than 30 percent of the area median income, which is approximately $75,000.

"The bylaws will determine the mission of the land bank," Collins said Monday afternoon. "There's a potential for good here, but that can be bypassed. We need more low-income representation and community control."

The staff report for the proposed ordinance says staff thinks a city councilor, the city manager, the city finance director and the director of the office of economic development should serve as the initial members of the governing board.

Otherwise, per each recommendation, the proposed governing board would be almost identical and include a member of the Housing Advisory Committee and two people who are "participants in an assisted housing program."

Collins said several activists and the housing advisory committee wanted several operating procedures to be established as part of the ordinance. For example, per the committee's recommendation, the corporation will only retain property in partnership with the housing authority and solicit proposals from housing nonprofits before seeking to sell the land to another entity. The committee also recommended the land bank corporation have a contractual right to first refusal whenever the city seeks to sell off any real estate it owns.

The staff report explains why city officials declined to endorse the advisory committee's recommendations and did not want to limit the use of land acquired by the land bank corporation to affordable housing development.

"Once the Land Bank is created and set-up, it becomes a separate legal entity, Staff strongly recommends that no limitations be put on the City as to acquisition and disposition of property as this may limit the City's ability to conduct its necessary business." the report says. "Likewise, the City should not put limitations on the operating policies and procedures of the Land Bank."

Stacy Pethia, the city's housing development specialist, said city officials want to establish initial control of the board and include a private finance expert to make sure public funds are being used wisely and transparently.

According to the report, the ordinance says half of all real estate property tax collected on land conveyed from corporation shall be remitted to it.

"Because that's public money," Pethia said, "we really should have people who are accountable in city government and who can make sure that money is appropriated in the most appropriate way."

She also said the city does not want to limit what the land is used for, as some parcels may not be suitable for the affordable development of low-cost housing. She said the ordinance will require that the land have some kind of public use.

"If the parcel is located in a floodplain, it would be too expensive to fix in order to build affordable housing," Pethia said. "It would just make the provision of affordable housing financially unfeasible, but it could be used as a community park."

The agenda for Monday's council meeting included a presentation of an annual report on housing in the city.

The a scheduled discussion about the proposed land bank ordinance, the presentation of the housing report and other agenda items, such as a public hearing on a proposed renaming of Justice and Emancipation parks, an annual review of the Office of Human Rights and a $11.7 million bond issue, had yet to begin by print deadline Monday.

According to city finance officials, the $11.7 million bond issue would pay for several Capital Improvement Program projects from the 2017 and 2018 fiscal years.

The funds would be used to complete the track renovations at Charlottesville High School, for street and sidewalk improvements, for renovations to the Charlottesville Circuit Courthouse, for a new spray park at Tonsler Park and for improvements to the city's water, sewer and stormwater systems.

THE DAILY PROGRESS

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Apr 16, 2018

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