

VIRGINIA HOUSING COMMISSION

Executive Summary- 2005 Interim

The Commission's activities in the 2005 interim centered on developing consensus in two key areas: 1) Reviewing the use of eminent domain authority in the light of the United States Supreme Court decision in Kelo v. The City of New London, and 2) Developing consensus proposals to advance affordable housing initiatives in the State. In addition, the Commission successfully studied legislation referred by the General Assembly.

The Commission met three times in 2005. On January 31, 2005, the Commission met to elect officers. Delegate Terrie Suit was elected as Chair and Delegate Jackie Stump was elected as Vice-Chair. On April 28, 2005, the Commission met to establish an interim work plan. In doing so, the Commission developed two work groups to carryout the 2005 work plan: i) Affordable Housing and Policy Issues, chaired by Senator William T. Mims, and ii) Eminent Domain/Blight Removal/Brownfield Remediation, chaired by Delegate Suit.

The composition of each work group consisted of all members of the Commission and appointed advisors who would be selected to achieve representation from wide a variety of interested groups and organizations. Each work group was assigned legislation that had been referred to the Commission to study and given specific subject matter to discuss.

The Affordable Housing and Policy Issues Work Group focused on developing consensus proposals to advance affordable housing initiatives and reviewing the assigned legislative proposals. The work group met four times over the course of the interim- June 9, July 11, September 14, and October 26.

The Eminent Domain/Blight Removal/Brownfield Remediation Work Group centered its efforts on reviewing the State's use of eminent domain in light of the *Kelo* decision and developing consensus on the legislative proposals to address concerns raised in its review. In addition, the work group studied several issues related to the State's brownfield remediation program including notice to purchasers and local government authority to conduct site assessments. Also, included in its work was the review of assigned legislative proposals. The work group met four times over the course of the interim- June 9, July 11, September 14, and October 20.

The Commission approved the following legislative proposals:

- i) Amending the State's definition of "public use" and the authorization of state and local entities to use eminent domain;
- ii) Clarifying local government authority to adopt ordinances to require site assessments and record notice as a part of a rezoning or subdivision approval process;
- iii) Establishing a community housing tax credit;
- iv) Providing assessment considerations for below market rate housing;
- v) Establishing an alternate tax rate on income from the sale of certain buildings; and
- vi) Authorizing the establishment of Housing Rehabilitation Zones.