

2020 SESSION

INTRODUCED

20103445D

HOUSE BILL NO. 571

Offered January 8, 2020

Prefiled January 6, 2020

A BILL to amend the Code of Virginia by adding a section numbered 15.2-958.01, relating to purchase or construction of rental housing by localities.

Patron—Carter

Referred to Committee on Counties, Cities and Towns

Be it enacted by the General Assembly of Virginia:

1. That the Code of Virginia is amended by adding a section numbered 15.2-958.01 as follows:

§ 15.2-958.01. Purchase or construction of rental housing by localities.

Any locality may by ordinance establish a program to purchase or construct housing and to rent such housing to residents. The rent charged for such housing shall not exceed the higher of 85 percent of the market rate for a similar housing unit or 115 percent of the actual cost of operation of the housing unit offered for rent.

For purposes of this section, "actual cost of operation" means (i) 1/12th of the annual costs of maintenance, repair, renovation, insurance; (ii) 1/240th of the initial price of purchase or construction; (iii) 1/240th of the total finance charges stemming from the initial price of purchase or construction; and (iv) an amount equal to 1/12th of the annual property tax that would be assessed by the locality for the housing unit offered for rent if it were privately owned.

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HB571