



Housing Programs

Virginia Department of
Housing and Community
Development



**VIRGINIA DEPARTMENT OF HOUSING
AND COMMUNITY DEVELOPMENT**
Partners for Better Communities



DHCD Programs Addressing Workforce Housing

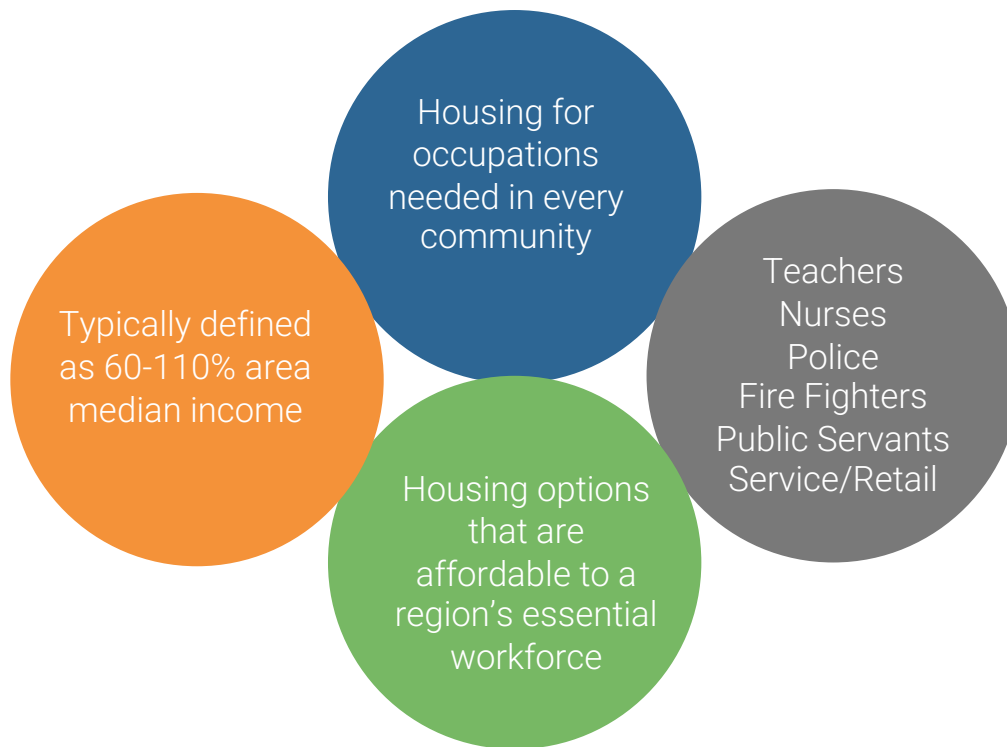


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What is Workforce Housing?





Programs for Workforce Housing Development

- Affordable and Special Needs Housing
- Down Payment Assistance
- Acquire, Renovate, Sell
- Industrial Revitalization Fund
- Private Activity Bonds



Affordable and Special Needs Housing (ASNH)

- Provides gaps in financing to make possible the creation and preservation of affordable housing for vulnerable populations
- Funded through three resources:
 - HOME Funds
 - National Housing Trust Fund
 - Virginia Housing Trust Fund
- Funding can support housing for up to 80% area median income
- Funds are awarded on a bi-annual competitive basis to developers, non-profits, and CHDOs that best meet critical affordable housing needs and align with state policy
- Next application window: Feb.4 – March 8, 2024 (tentative)





Down Payment Assistance (DPA)



- Provides flexible gap financing for first-time homebuyers
- Funding can support households up to 80% area median income to purchase safe, decent and accessible housing
- Provided in the form of a grant with a mandatory “affordability period” for the applicant to continue to occupy the house as their primary residence
- Income eligible homebuyer may receive up to 10 percent or 15 percent (within the established approved areas by DHCD) of the sales price, plus up to \$2,500 to pay for the cost of closing



Acquire, Renovate, Sell (ARS)

- Create affordable homeownership opportunities for low- to moderate- income, first-time homebuyers
- Providers will acquire undervalued homes using their own lines of credit, renovate using ARS funding and other leveraged sources if necessary, and resell the property at fair market value to a first-time homebuyer
- After sale, ARS funding is returned, and provider utilizes net proceeds as program income to re-invest in local, affordable housing efforts
- Maximum of \$45,000 in ARS funding awarded for renovations





Industrial Revitalization Fund (IRF)

- Leverages local and private resources to achieve market-driven redevelopment of vacant and deteriorated industrial and commercial properties
- Eligible properties include those formerly used for
 - Manufacturing
 - Warehousing
 - Mining
 - Transportation
 - Schools
 - Large-scale white elephant structures
- Funding can assist with mixed-use development of derelict structures
- At least 30% of the end use structure must be for commercial use
- Grants and loans are available up to \$5 million per project with 1:1 match required
- Approximately \$10.5 million available in FY24 – applications due 10/27/23



Private Activity Bonds

- Provides financing for private development for a public purpose.
- Private Activity Bonds for housing may be issued by:
 - Local housing authorities, IDA/EDAs (if no housing authority)
 - VA Housing
- Virginia received an allocation of \$1.04 billion for 2023.
 - 43% - Virginia Housing for affordable rental and homeownership
 - 25% - Industrial Development for manufacturing and other exempt
 - 14% - Governor's state allocation for housing, manufacturing, other
 - 13% - Local housing authorities for affordable rental
- DHCD manages the local housing authority pool and assists with the administration of the governor's pool
- DHCD accepts applications on a rolling basis beginning Jan. 1



THANK YOU



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Contact Us

600 East Main Street, Suite 300

Richmond, VA 23219

804-371-7000

www.dhcd.virginia.gov