



Virginia's National Housing Trust Fund Allocation Plan

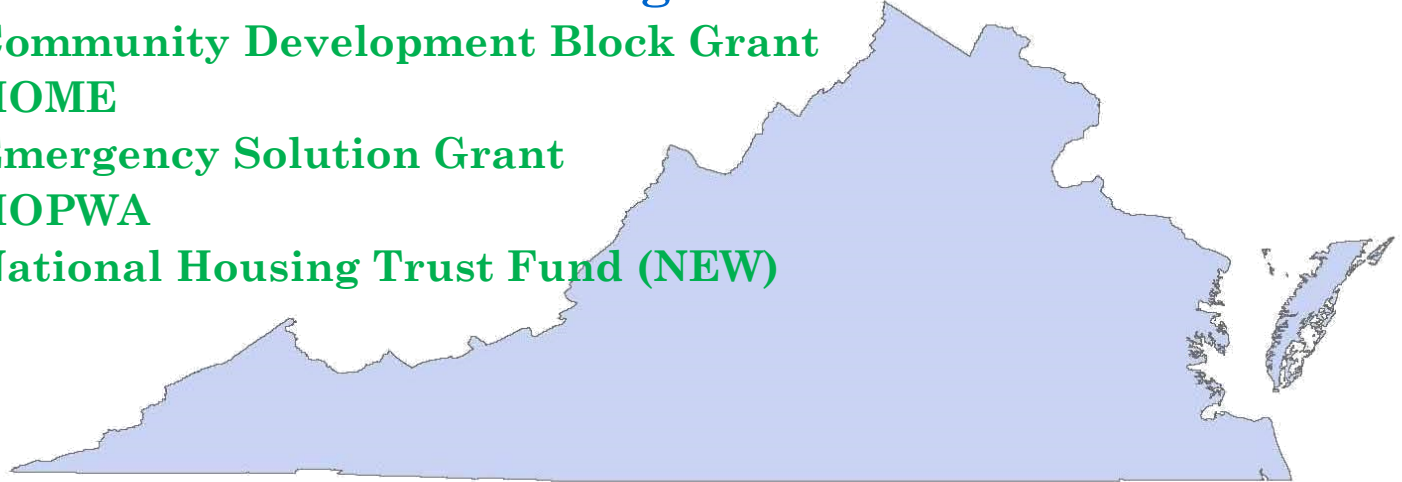
Housing Credit Conference

September 21, 2016



National Housing Trust Fund

- Annual formula grant to States to increase and preserve the supply of decent, safe, and sanitary affordable housing for extremely low-income and very low-income households
- New funding administered through HUD
- HUD Consolidated Planning Process
 - Community Development Block Grant
 - HOME
 - Emergency Solution Grant
 - HOPWA
 - National Housing Trust Fund (NEW)



Virginia's Consolidated Plan

- **Five-Year Consolidated Plan (includes citizen participation plan, needs assessment, and strategic plan)**
- **Annual Action Plan (resource allocation and annual goals) –Due May 18th**
- **Consolidated Annual Plan Evaluation Report (September 28th)**
- **Year 4 of 5 year plan (July 1, 2016 – June 30, 2017)**
- **Revision of Action Plan Required to allocation NHTF (NHTF Allocation Plan)**



Virginia's NHTF Allocation Plan

- **Citizen Participation**

- **February (2016) Input Sessions**

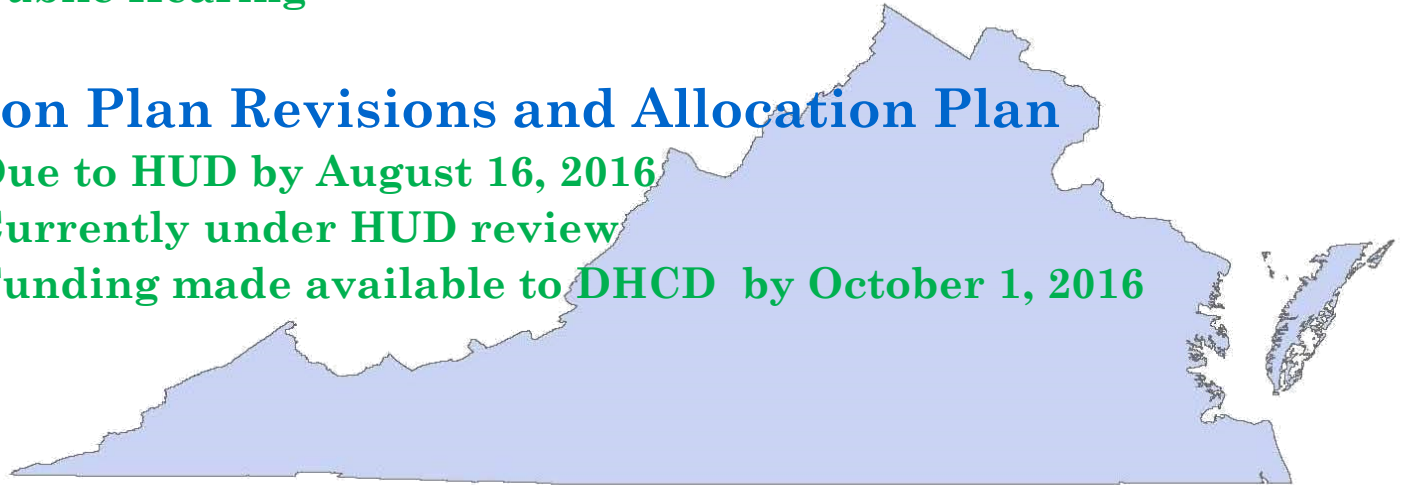
- Wytheville
 - Richmond
 - Prince William
 - Hampton

- **June Input Session at the Annual Virginia Housing Alliance Awards Luncheon**

- **Written Comment Submissions**
 - **Public Hearing**

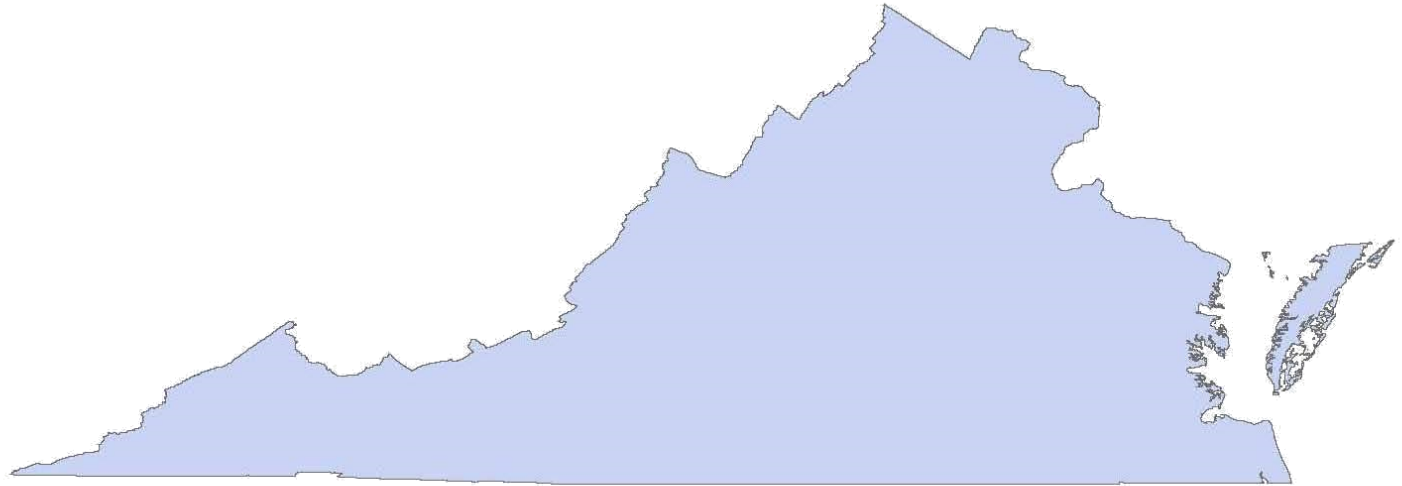
- **Action Plan Revisions and Allocation Plan**

- **Due to HUD by August 16, 2016**
 - **Currently under HUD review**
 - **Funding made available to DHCD by October 1, 2016**



National Housing Trust Fund

- Annual allocation
- \$3,139,830 (first year)
- 10 percent (\$313,983 program administration)
- 90 percent (\$2,825,847 eligible project activities)



National Housing Trust Fund

- **Income targeting**
 - 100% extremely low-income (30% AMI or below)
 - Subsequent years will allow up to 25% very-low income (50% AMI or below)
- **Affordable Rental Development**
 - 30 year affordability period
- **Homeownership (limited to 10% of annual amount)**
 - Affordability based on amount of assistance
- **Rental Operating Assistance (limited to third of annual award)**
 - Must still meet five year expenditure requirement



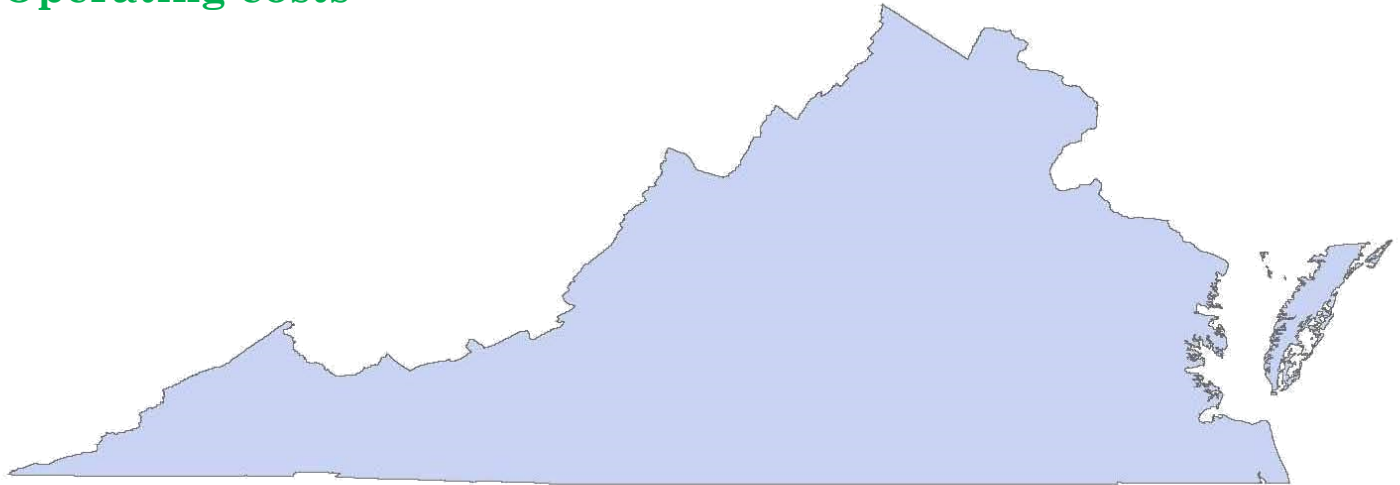
National Housing Trust Fund Feedback

- **Coordinate where possible with other resources**
 - **ASNH (HOME-funded)**
 - **State HTF**
 - **Tax Credits**
- **Give preference for rental projects targeted to special needs populations**
 - **Permanent Supportive Housing**
 - **Supportive Housing**
 - **DOJ population**
 - **Disabilities (physical, sensory, intellectual, developmental, mental health)**
 - **Disabled Veterans**
 - **Chronic homeless**



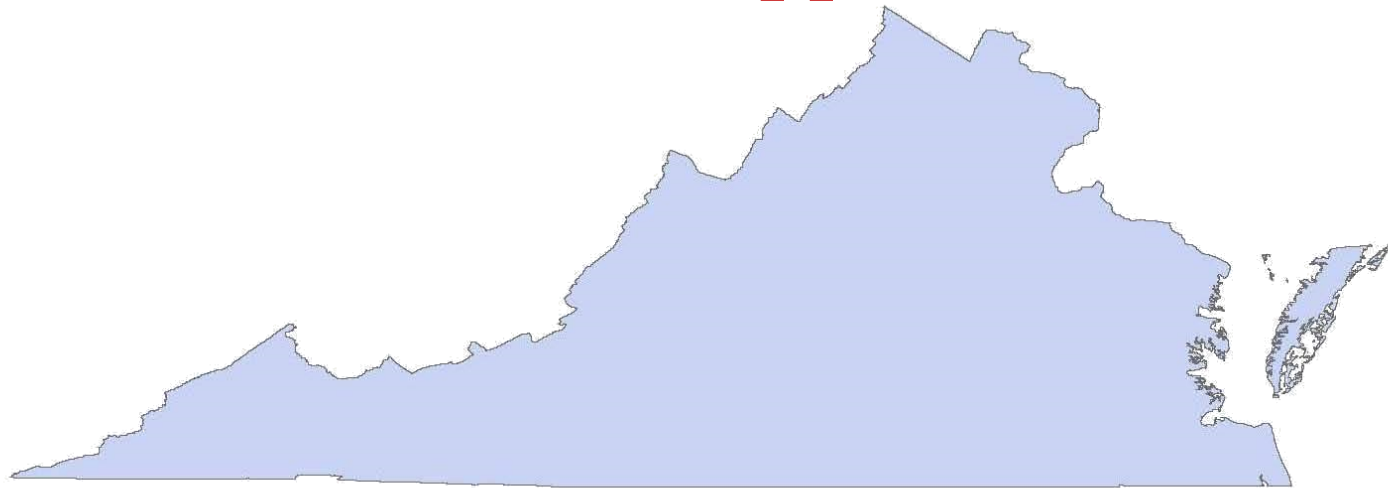
National Housing Trust Fund Feedback

- Give preference to accessible units
 - 504 units
 - Universal design features
- Type of Assistance
 - Construction and permanent financing
 - Flexible and underwritten to gap funding
 - Operating costs





Affordable and Special Needs Housing – Consolidated Application



Virginia Department of Housing and Community Development

Affordable and Special Needs (ASNH) Funding Sources

2016 – 2017 ASNH	
Source	Amount
HOME	\$3,104,622
State Housing Trust Fund	\$3,312,000
National Housing Trust Fund	\$2,825,847
TOTAL	\$9,242,469

Affordable & Special Needs Housing

- One application but three funding opportunities
- Plan year: July 1, 2016 – June 30, 2017
- To create and preserve affordable housing in Virginia
- To increase the number of affordable units for special needs populations
- Rehabilitation or New Construction
- Typical type of Assistance
 - Deferred principal loans (interest-only)
 - 3% interest
- Application due dates:
 - November 30, 2016
 - May 31, 2017

Affordable & Special Needs Housing

- One application but three funding opportunities
- Total Request Cap: \$1,200,000
- Total Request (including NHTF): \$2,000,000
- Project must have at least five units
- If 100% special needs then less than five is allowable

Affordable & Special Needs Housing

	HOME	VA -HTF	NHTF
Total Amount	\$3,104,622	\$3,312,000	\$2,825,847
Project limits	\$700,000/\$800,000	\$700,000/\$800,000	\$700,000/\$800,000
Geographic Targeting	Preference for non-entitlement	Statewide	Statewide
Match	25% entitlements	NA	NA
Mix-Income Projects	✓	✓	✓
Homebuyer Projects	✓	✓	NA
Assisted Units (income)	60% or below AMI 80% or below (homebuyer)	80% or below AMI	30% or below AMI
Assisted Units (rent limits)	HOME	To be determined	NHTF
Affordability	15/20 yrs. Homebuyer (5-20 yrs.)	20 yrs.	30 yrs.

Affordable & Special Needs Housing

- Rental or Homebuyer (exception NHTF)
- Rehabilitation or New Construction
- Typical type of Assistance
 - Deferred principal loans (interest-only)
 - 3% interest
- Application due dates:
 - November 30, 2016
 - May 31, 2017

Eligible Applicant

- Non-profit or for-profit housing developer
- Project Owner, Developer, or Sponsor
- State –Certified CHDOs (Community Housing Development Organizations)
 - HOME preference given
 - NOT required for homebuyer development



For more information please see [state-certified CHDO](#) on DHCD's website.

Eligible Applicant

- Owner –holds valid title to, or long term leasehold interest in the property
- Developer –owns the property and is developing the project, or has a contractual obligation to develop the project
- Sponsor –is the owner or partial owner and agrees to convey ownership to a second nonprofit at a predetermined time prior to development or upon completion (*requires consultation with DHCD prior to application*)

Eligible Applicant

- Must be registered in CAMS
- Must be the primary partner in the project
- Must not be the project L.L.C.
- Must be the entity responsible for long-term operations and compliance
- Must be free of outstanding audit or compliance issues

Eligible Applicant



- Rental or Homebuyer (not NHTF)
- Targeting low, very low, and extremely low-income households
- Targeting low-income special needs households
- Scattered site okay –units must be under common ownership, management, & financing
- Minimum of \$15,000 per unit (or 3 out of 5 major systems) based on total development costs

Special Needs

- Projects with special needs targeted units receive scoring preference
- Higher maximum assistance (\$800,000) if at least 20 percent of units are targeted to special needs households
- Projects are encouraged that will help the state meet the DOJ settlement agreement
 - Include a few units targeted to individuals with intellectual/developmental disabilities
 - Choice in services and service provider



Special Needs

- Special needs households include at least one individual with a disability (physical, mental, developmental, intellectual)
- Elderly housing not necessarily special needs (must have at least 20 percent of units targeting individuals with disabilities)

Income Targeting (minimums)

Income Targeting –assisted units	
Source	Income (AMI)
Homebuyer (HOME and VA HTF)	80 percent or below
State Housing Trust Fund	80 percent or below
HOME Rental	60 percent or below
National Housing Trust Fund	30 percent or below

Income Targeting



- Minimums –may propose deeper targeting
- Applies to “assisted units”
- Assisted unit may be a subset of total project units
- Assisted units must be at least proportionate number of units related to amount of assistance
- Preference for community integration, de-concentration, and choice of service provider.

Eligible Costs

- Hard costs including land acquisition
- Soft project costs
- Utility connections
- Relocation costs
- Up to 18 months of project reserves

Maximum ASNH Subsidy Limits*

0-Bedroom	\$140,107
1-Bedroom	\$160,615
2-Bedroom	\$195,304
3-Bedroom	\$252,662
4+-Bedroom	\$277,344

**Effective January 1, 2015*

Rental Projects

- DHCD will determine the number of assisted units
- Assisted units must meet all program rules
- Rent limits are published annually by HUD (HOME and NHTF)
- Rents and Rent Increases must be approved by DHCD

Affordability Period

Affordability Periods by source/activity	
Source/Activity	Years
National HTF	
National HFT (only rental eligible)	30 years
HOME	
HOME Rental New Construction	20 years
HOME Rental Rehabilitation	15 years
HOME Homebuyer (less than \$15,000)*	5 years
HOME Homebuyer (\$15,000 - \$40,000)*	10 years
HOME Homebuyer (more than \$40,000)*	15 years
State HTF	
State HTF Rental	20 years
State HTF Homebuyer	5 years

**If only homebuyer developer subsidy resale applies. If DHCD DPA is included in a unit then a recapture provision applies and affordability is based on the amount of DPA only.*

Rental Monitoring and Compliance

- Rental Compliance Monitoring includes verification of:
 - Rent and Occupancy Requirements
 - Tenant Eligibility
 - Property Standards (onsite monitoring)
 - Other program regulations: affirmative marketing, fair housing laws, etc.

Federal/State Requirements

- Environmental Review
- Fair Housing
- Lead Safe
- Uniform Relocation Act
- Section 3/ Labor Standards (in some cases Davis Bacon)

ASNH Program Funding Process

- Due Dates:
 - ❑ November 30, 2016
 - ❑ May31, 2017
- Review Panel
- Review Criteria:
 - ❑ Need (40 points)
 - ❑ Feasibility (30 points)
 - ❑ Capacity (30 points)
- Minimum of 60 points (threshold) needed for funding



Funding Process: Threshold Requirements

- Submitted by deadline
- Submitted in DHCD's Centralized Application and Management System (CAMS)
- Complete Application
- Eligible Applicant
- Eligible Project
- No unresolved findings/issues
- Minimum of 60 points needed

ASNH Technical Assistance

- Application Questions

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- Technical CAMS Questions

CAMS Help Desk

CamsHelp@dhcd.virginia.gov

Resource for ASNH and the NHTF found at www.dhcd.gov:

- [NHTF Allocation Plan](#)
- [Affordable and Special Needs Housing –How to Apply Presentation](#)
- [Affordable and Special Needs Housing Program Guidelines](#)
- [Affordable and Special Needs Housing – Application Instructions](#)