

The Virginia Housing Trust Fund (VHTF)

4.5 Million Funding Increase Budget Amendment (Item 105 #1s/Item 105 #2h)

Sponsors: Senator Howell and Delegate Peace

What is the Virginia Housing Trust Fund (VHTF)?

The VHTF currently supports affordable housing development across the Commonwealth of Virginia through the renovation of foreclosed homes, foreclosure counseling, new residential construction and projects to reduce homelessness. Individuals, households, businesses and governments across the state experience the impacts of these activities.

Who would the funding serve?

People. This funding would support Virginians from diverse backgrounds who cannot afford decent, safe housing in the communities where they live and work. These individuals include people experiencing homelessness with serious mental illness, the disabled, and veterans trying to settle back into civilian life.

Communities. Through education initiatives and revitalization/construction efforts, organizations are able to reduce foreclosure and invest in community-based projects.

Businesses. Funds leveraged by the VHTF's capital investment create jobs and support regional economic growth.

How will these funds be allocated and administered?

1. Competitive Loan Pool - Provides low-interest loans to meet the financing needs of housing projects directed towards key state housing policies. This pool has supported the development of hundreds of units of affordable rental housing and permanent supportive housing.

2. Homeless Reduction Grant Program - Provides grants to homeless service organizations to fund supportive services, short term rental assistance, or pre-development funding for permanent supportive housing projects. This funding has supported permanent supportive housing and rapid rehousing programs across the state contributing to Virginia's continued progress towards ending homelessness.

3. Foreclosure Rehab Loan Program - Provides low-interest loans to non-profit organizations to transform previously foreclosed homes into community assets. This pool brought new families into previously blighted foreclosed homes across the state.

4. Foreclosure Counseling Grants - Provides grants to organizations working with those who are experiencing or have experienced foreclosure. This funding has helped hundreds of Virginians facing financial hardship stay in their homes, and has trained thousands in financial literacy, home maintenance, and predatory lending.

5. Vibrant Community Initiative - Combines multiple DHCD funding sources to support local or regional comprehensive community-based projects that include affordable housing and community or economic development. This Initiative has leveraged precious state and federal funds for high impact projects in targeted communities.

This is a recommendation of Joint Resolution 47, Joint Subcommittee to Study Mental Health Services in the Twenty-First Century, also known as "The Deeds Commission".