The Governor’s 2020 budget included increased investments in the Virginia Housing Trust Fund. The special session began with the 2020 gains unallocated, but ended with an increase for FY21 and level funding for FY22. During the 2021 session, we will work to ensure allocations to the FY22 budget are maintained, and will request an increase in funding if forecasting seems favorable. The need is definitely there, as there were at least 47 applications for the Trust Fund during the recent cycle, which was an increase from last year’s 22 applications. In addition, we believe that addressing racial equity must be part of the allocation process. This can be achieved by establishing data collection and reporting requirements that dis-aggregate beneficiaries by race, and through the development of clear goals for a positive impact for communities of color.

**Maintain/Increase Funding for the Virginia Housing Trust Fund**

The Governor's 2020 budget included increased investments in permanent supportive housing. This year we will work to ensure those increases, that were un-allotted during the special session due to the pandemic, are restored.

**Maintain/Increase Funding for Permanent Supportive Housing**

VHA will talk with members of the state housing needs assessment stakeholder group and ask that they consider “strengthening requirements around including housing in jurisdiction comprehensive plans” as one of their recommendations. As it stands, while the code mandates that jurisdictions include housing in their comprehensive plan, not all jurisdictions have a section on housing. Some ideas are: explore which jurisdictions do and do not have housing plans; work with jurisdictions to incorporate a housing plan; tie funding (such as CDBG) to compliance with the code; add funds so that DHCD or PDCs can support the development of more robust housing elements in the comp plans.

**Encourage Strengthening State Code Requirement of Affordable Housing Plans in Each Jurisdiction's Comprehensive Plan**

Per 2020 legislation, the Commonwealth was tasked with researching what a state equivalent/supplement to the federal Low Income Tax Credit would look like. During the 2021 session, VHA will support efforts to stand up a program that adds deeper affordability, prioritizing the production of more housing at rents that are affordable to households at 40% of AMI and below, as well as more units to the affordable housing stock. We recognize that in order to make affordability feasible for households below 40%AMI, this program will need to be paired with some type of deep subsidy, such as tenant-based vouchers, and look forward to future conversations about how to increase the supply of such subsidies. Conversations about deeper subsidies and/or a state funded rental assistance program are on the horizon as the High Needs Support Benefit through the Medicaid 1115 waiver comes into effect in 2022.

**Support the Implementation of a State Low Income Housing Tax Credit**

In addition to our above priorities, the Virginia Housing Alliance will support organizations working on legislation related to the following topics:

- Eviction Prevention Funding (VPLC)
- Energy Efficiency and Affordable Housing (MFEEC)
- Foreclosure Protections (VPLC/HOME)
- Tax Exemption for Affordable Housing (HJ 2) (Homebuilders)
- Broadband Access/Affordability (Governor’s Task Force)