The Virginia Housing Alliance has committed to publishing an annual impact report for the Virginia Housing Trust Fund (VHTF) to illustrate the compelling success of the Commonwealth’s primary investment in affordable housing. Since its inception in 2013, the VHTF has facilitated equitable, accessible, and stable housing solutions for many low-income Virginians. Over its lifetime, the fund has contributed to the preservation and creation of at least 15,663 affordable units and supported about 6,000 households experiencing homelessness. The 2023 report features projects funded in the 2018-2019 cycle, to provide a tangible picture of the impact these dollars have in our communities. In addition, this report emphasizes the need for greater contributions to the VHTF to more comprehensively address the state's shortage of affordable housing.

A commitment to the VHTF is a commitment to a more secure and prosperous future for the Commonwealth.
The Virginia Housing Trust Fund (VHTF) is a state initiative created to stimulate equitable, accessible, and affordable housing solutions for citizens of the Commonwealth.

Against the backdrop of a national housing crisis and significant economic turmoil, the General Assembly passed the Virginia Housing Trust Fund Act (VA Code § 36-142) in 2013 to establish a dedicated fund that would strategically address the needs and complexities of Virginia's affordable housing landscape. In doing so, legislators recognized the importance of housing stability for individual and community well-being. Specifically, the VHTF was designed as a flexible financial resource to create, preserve, and support affordable housing projects that cater to the diversity of Virginia's low-income residents – including individuals, families, veterans, senior citizens, people with disabilities, and those who are experiencing or at risk of homelessness.
Each year, the General Assembly allocates funds to the VHTF, which are administered by the Department of Housing and Community Development (DHCD). Eighty percent of the funds are distributed through the Affordable and Special Needs Housing (ASNH) competitive loan pool. Priority is given to deeply affordable and permanent supportive housing projects, but all projects must at least have units affordable to those making 80 percent of the Area Median Income (AMI) or less. VHTF loans are often used in collaboration with other partner programs, such as the Housing Innovations in Energy Efficiency (HIEE) program, to develop projects that are also environmentally sustainable and energy efficient. In addition, these funds can be used for the Vibrant Communities Initiative to support transformational community projects. The remaining 20 percent of the VHTF is set aside for Homeless Reduction Grants available to homeless service providers across the state. These grants have been used in a variety of ways, including rapid re-housing, projects for unaccompanied youth or older adults experiencing homelessness, and rental assistance and supportive services for households enduring chronic homelessness. Overall, the VHTF strengthens the ecosystem of affordable housing financing in Virginia by offering both loans and grants that prioritize housing for those who need it the most.

Below: Keswick II by The Humanities Foundation (Spotsylvania, VA)
Financial support for the VHTF has steadily increased since its creation, as the table below demonstrates. Between Fiscal Years (FY) 2014 and 2020, the initial allocations amounted to an average of $9 million per year. When the General Assembly increased funding to $75 million annually for FY2023 and FY2024, this marked the highest allocation to the VHTF to date. Because VHTF awards are often the final dollars needed to make a project viable, this $75 million helps leverage billions more in other funding sources. In FY2023 alone, the VHTF supported $2.3 billion in investments from other funding sources.

Every dollar put into the VHTF facilitates additional investments in housing. Thus, the value and impact of the VHTF extends beyond the $75 million currently allocated.

![Virginia Housing Trust Fund budget allocations](image)

*Source: Virginia Department of Housing and Community Development.*
In the 10 years since its establishment, the VHTF’s competitive loan program has awarded at least $139.6 million to over 200 projects, assisting in the creation or preservation of 15,663 homes for low- and very low-income Virginians. The table below displays the cumulative total of units over each year, but it is important to note that unit totals in recent years may change slightly because those projects are still in progress. At least 1,705 of these units qualify as permanent supportive housing units. Additionally, the Trust Fund has dispersed about $50 million in homeless reduction grants to service providers in the past decade, assisting over 6,000 households across the state. During the COVID-19 pandemic, a large portion of the VHTF was also used for rental assistance.

*The difference between total funds awarded and allocated implies that there is a delay in data reporting.*

<table>
<thead>
<tr>
<th>Affordable Units</th>
<th>Competitive Loan Awards</th>
<th>Homeless Reduction Grants</th>
<th>Households Served</th>
</tr>
</thead>
<tbody>
<tr>
<td>15,663+</td>
<td>$139.6m</td>
<td>$50m</td>
<td>&gt;6,000</td>
</tr>
</tbody>
</table>

**Affordable units produced by VHTF Competitive Loan Pool**
Cumulative total of units affordable at 80% AMI or below (FY2014 - FY2023)

*Source: Virginia Department of Housing and Community Development.*
VHTF awarded projects can be found throughout Virginia, in both urban and rural communities. The maps below display the location of each competitive loan pool project within State Senate and House districts. Created by HousingForward Virginia, these maps are part of an online interactive dashboard created to visually represent the geographic impact of the VHTF. The dashboard is a great resource for more detailed information about the Trust Fund. HousingForward Virginia will continue to update the dashboard as more VHTF dollars make their way throughout the Commonwealth.
Despite the incredible achievements of the VHTF thus far, the severity of the current housing shortage far outweighs the presently available resources. The combination of a global pandemic, escalating housing costs, stagnant wages, and a hyper-inflationary environment has greatly increased the number of Virginians overly burdened by housing costs. Meanwhile, the VHTF is oversubscribed each year as significantly more developers and providers apply than can be awarded.

In 2020, the Virginia General Assembly directed the Joint Legislative Audit & Review Commission (JLARC) to conduct a review of affordable housing in Virginia. The final report concluded that there is currently a statewide shortage of at least 200,000 affordable units for low-income renters. In order to close this supply gap in the next 10 years, JLARC estimated that an annual investment of approximately $1.6 billion is necessary. While such a high allotment may not currently be feasible, it is clear that the current annual appropriation of $75 million to the Trust Fund falls significantly short of the need. Steady growth of the VHTF would give Virginia the tools to reduce the statewide shortage and mitigate the impact of future crises, ultimately saving the Commonwealth billions of dollars over time.
The following projects received awards in the 2018-2019 funding cycle for the competitive loan program. These initiatives exhibit the diverse and innovative approaches taken by developers to address the critical housing needs of low-income Virginians. From efforts to transform aging structures into modern, energy-efficient multifamily developments to brand-new, large-scale projects, each story reflects the VHTF's commitment to creating stable, secure, and inclusive living environments. Collectively, projects funded in this cycle have contributed approximately 1,240 affordable units to Virginia's housing stock.

At the end of this section, the report highlights a project called Beacon Landing that was recently awarded during the 2022-2023 funding round as an example of the incredible projects currently in progress.

The descriptions and photographs included were provided by the developers of each project, with some additions of publicly available information. The Virginia Housing Alliance is grateful for each developer's collaboration and support.
THE PROJECT

The Lucille & Bruce Terwilliger Place is a 160-unit community located near the Virginia Square-GMU Metro, serving families at 30-80% AMI. The project was initiated to revitalize the previous aging American Legion site, with half of the units designated for veterans, including many that have two or three bedrooms for families. The development also boasts community rooms, a counseling space, a business center, and an outdoor recreational space. In addition, it is designed to be highly energy and water-efficient. The project broke ground in May 2020, and welcomed its first residents in July 2022.

“It is a dream. It’s what we’ve worked so hard for the last six years, and I’m so honored to work with The American Legion... This (is) an opportunity to do something more important and bigger for both veterans and the community.”

- Carmen Romero, president and CEO of APAH
Daffodil Gardens II is a new three-story apartment complex dedicated to providing affordable, sustainable, and inclusive housing for low-income seniors aged 55 and older, with priority given to veterans and individuals with disabilities. Due to its location on Bay Aging’s human service campus, residents have easy access to essential services, as well as access to the Gloucester Adult Day Care Center, Riverside Walter Reed Hospital, and various other resources via public transportation and paved walkways. Units are universally designed to ensure accessibility for all and ease of living. Residents benefit from secured access, a large community room, on-site laundry facilities, and strategically placed common areas throughout the building. With its EarthCraft Gold certification and amenities that feature EnergyStar appliances, Daffodil Gardens II is an excellent example of sustainable and environmentally conscious construction that is tailored for modern senior living.

“Daffodil Gardens II will help address a serious shortage of affordable housing for older residents not just in Gloucester County but across the entire region.”
-Kathy Vesley, President and CEO of Bay Aging.
The Brookland Park Apartments is currently under construction on the previous site of the Mizpah Presbyterian Church and the Nehemiah House Community Center. The development incorporates and preserves sections of the Gothic Revival facade of the church, and is designed to meet US Department of Energy standards for Green Communities, emphasizing energy efficiency and sustainability. Amenities include such modern features as in-unit washer and dryer hookups, electric split HVAC systems, and EnergyStar approved appliances and lighting. Seven units are designed to be accessible to vision and hearing-impaired residents. The project is expected to be completed and ready for occupancy in June 2024, and is an important example of providing affordable, energy-efficient housing that honors the history of its community.

""We saw an opportunity to make a real impact in the immediate neighborhood, and with the groundbreaking of Brookland Park Apartments, we're investing in the future of North Richmond."

- Rob Fossi, Senior Vice President of Real Estate, ECD
Crescent Halls is an eight-story public housing project that was initially built in 1976, and recently underwent a comprehensive redevelopment process after many years of resident advocacy. With 105 units designated for elderly residents and individuals with disabilities, this project involved a top-to-bottom renovation while preserving the existing structural framework of the building. In addition to modernizing all the living units, the renovation updated the building’s plumbing and HVAC system, and added more community rooms, a nursing clinic, outdoor patios, solar panels on the roof, and free high-speed internet for all residents, to create a fully accessible living environment. A notable feature of this redevelopment was the active involvement of Crescent Halls residents in the planning process, ensuring that those directly impacted by the renovations would play role in shaping the decisions affecting their homes and lives. Ground was broken in 2021, and residents were welcomed back beginning in March 2023.

“Everybody deserves not just housing to go to, but housing that has been created with intention and with love.”
- Nikuyah Walker, Former Mayor of Charlottesville

Affordable Units
• 105

VHTF Award
• $800,000

Target AMI
• <60%
THE SPIRE
2280 N BEAUREGARD ST, ALEXANDRIA

THE PROJECT

The Spire is the result of a partnership between AHC and The Episcopal Church of the Resurrection in Alexandria that began in 2015. In response to the increasing scarcity of affordable housing, the Church sought to reduce the size of its sanctuary and re-develop the space to address the housing needs of low-income Alexandrians. They first broke ground for the project in 2019, and the new six-story, 113-unit apartment building opened to residents in March 2021. Amenities include a community room, exercise room, on-site management and laundry facilities, a landscaped outdoor terrace, and community-wide WiFi.

“It’s really a wonderful thing to see how the community came together... This is acting out your faith in the most meaningful of ways.”

- US Representative Don Beyer, Alexandria resident
Phase 2A of the Armstrong Renaissance redevelopment project represents a significant milestone in the ongoing transformation of the Creighton Court neighborhood, which was a mid-century, low-rise public housing project built in 1953. Developers used a "build first" rather than "demolish first" approach to ensure minimal displacement and the preservation of the community's social fabric. Located on the prior Armstrong High School site, the Armstrong Renaissance project consciously acknowledges the historical geography of segregation, striving to rectify the imbalances created by harmful mid-20th-century public housing policies. By contributing 70 new affordable units to a total of 256 units in the overall Armstrong Renaissance project, Phase 2A supports a range of mixed-income housing options for residents that ensures the neighborhood is inclusive and responsive to the needs of the entire community, offering a model for sustainable and socially conscious urban development.
Queens Court is a 12-story affordable housing community located in the urban Rosslyn area. Situated on a 1-acre site, it is conveniently less than half a mile from the Rosslyn Metro Station. The original 39-unit property was acquired by APAH in 1995, which paved the way for the redevelopment of the site into 249 affordable units, which was successfully completed in April 2021. Notably, APAH has guaranteed that it will hold rent prices steady for the next 75 years, ensuring “committed affordability” for residents. Queens Court offers a range of features, including being barrier-free and certified as an EarthCraft Gold building. The community also includes a 9,000 square foot park and an onsite playground, which is deeded to Arlington County for public use.

“With affordable housing continuing to be a challenge all across the country, these new apartments will help attract more folks to live, work, and raise a family in the Commonwealth.”

- US Senator Mark Warner
THE PROJECT

The Residences at North Hill is a $174 Million development that features a variety of housing options, including 216 affordable rental units, 63 affordable senior independent-living apartments, 175 market-rate townhomes, and a 12-acre public park. It not only provides much-needed affordable housing, but includes amenities such as a community room, fitness center, recreational plaza, playground, and on-site management services. The location along the Richmond Highway Corridor offers convenient access to shopping, dining, entertainment, and public transportation, making it an inclusive and well-planned community. Due to the size of the 34-acre development site, this project received multiple rounds of funding from the VHTF, in all totaling $3.7 Million. The Residences of North Hill provides a great example of strong collaboration between multiple developers and the local housing authority. The groundbreaking ceremony took place in July of 2020, with the grand opening in June 2023.

“Residences at North Hill reaffirms our vision of inclusive housing opportunities for residents all along the income spectrum.”

- Dan Storck, Mount Vernon District Supervisor
Lake Anne House is a living community geared toward a diverse population of low-income senior citizens. The site was redeveloped from previous facilities that had become functionally obsolete, welcoming residents back over the summer of 2022. All 240 units have been universally designed to accommodate a wide range of residents, including features like grab bars, lower workspaces, and task lighting, with 54 units being fully handicap accessible.

The project received $700,000 from the VHTF, comprising 0.8% of their total budget. This modern eight-story building offers various amenities, including a fitness center, arts and crafts room, social hall, wellness clinic, and outdoor terrace, and adheres to Energy Star and EarthCraft sustainability standards.

“Someone can move in at 75 but live there until they are 90”
- Matt Engel, senior director of real estate development, ECD
KESWICK II
7077 W TADLEY LN, SPOTSYLVANIA

THE PROJECT

Keswick II is an affordable apartment complex that is part of a larger multi-use development in the courthouse area of Spotsylvania County that includes senior living apartments, public parks and recreation facilities, and an assortment of other apartments, houses, and townhomes. Geared toward households with 60% of the Area Median Income or lower, the complex includes laundry facilities, a fitness center, business center, and community lounge. The Humanities Foundation develops and manages many properties throughout the southeast, with a mission to provide not only quality affordable housing to the working class, but also other services that enhance the capacity and wellbeing of individuals and families within their communities.

Affordable Units
• 116

VHTF Award
• $700,000

Target AMI
• <60%
Huntington Village comprises four elegant 3-story garden-style buildings, offering a total of 96 spacious, open-concept apartments designed to cater to the diverse needs of families. Residents benefit from access to nearby public transportation and other community features including a gathering area, fitness center, on-site laundry facilities, and a playground. Several units are set aside for residents with disabilities. Furthermore, the completion of Huntington Village aligns seamlessly with Newport News' broader infrastructure improvement initiatives over recent years, fostering vital revitalization efforts in the community.

Huntington Village is the first mid-Atlantic project taken on by Dakota Partners, which is one of the largest affordable housing developers in the United States. Groundbreaking on the project took place in 2021, and doors opened to residents in April of 2022.
The Arden is a seven-story multifamily community that broke ground in summer of 2020, and welcomed its first residents in January, 2023. This development grants easy access to public transportation due to its proximity to the Huntington Metro station at the intersection of Huntington Avenue and Biscayne Drive. The Arden incorporates 7,500 sq. ft. of office space, enabling Wesley Housing to move its main office to the premises. The existing structures on the site, including a 12-unit brick apartment building constructed in 1950, duplex units, and a parking lot, were demolished as part of the redevelopment plan to be replaced with 126 units of affordable housing. The amenities offered by this development include parking spaces, a courtyard patio, community center, bike storage, and on-site laundry facilities.
The Beacon Landing project is a collaborative effort between the Lamb Center and Wesley Housing to transform the former Hy-Way Motel site in Fairfax into a transformative Permanent Supportive Housing community. This strategic partnership aims to address the housing needs of older adults and individuals with disabilities who are experiencing or at risk of homelessness. For such citizens with very low incomes and especially high needs, these fully-furnished apartments will offer a holistic approach to creating a completely supportive living environment. Residents will have access to on-site case management and wrap-around support services, empowering them to achieve individual goals related to obtaining employment, healthcare, and stable housing. Rooted in a humanitarian Christian philosophy, the Lamb Center's commitment to uplifting the disadvantaged has made them an asset to the citizens of Fairfax county. Expected to open for residents in 2025, this inclusive community represents hope for those seeking stability and a pathway to a brighter future.

"I feel grounded. I feel like I can really move forward with my life. And I can't wait to get better. I am still on that journey of healing and restoration. And I really would love to be able to help people like the Lamb Center does."

- Kathryn, a future resident
We would like to express our sincere appreciation to Cardamom Beloin for their outstanding contribution to the creation of this report. Their insightful analysis, diligent research, and commitment to our organization have significantly enriched the content and quality of this document. We also extend our heartfelt thanks to HousingForward Virginia, and the featured affordable housing developers.

VHA plans to release reports on the growing impact of the VHTF each year moving forward.

For questions or comments, please contact our Director of Policy and Advocacy, Isabel McLain at: imclain@vahousingalliance.org

We thank you for your continued support.

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