Increase Funding for the Virginia Housing Trust Fund

Our Ask
We support an additional investment of $75M in the Virginia Housing Trust Fund (HTF) which will bring the total amount of funding to $150M for FY24. This amount will help responsibly scale up the program to more rapidly address Virginia’s shortage of nearly 300,000 affordable homes.

About the VHTF
HTF funds are leveraged with other housing resources primarily to develop affordable rental housing through capital investment in projects across the state.

Established in 2013 and supported by every administration, the HTF is administered by the Department of Housing and Community Development (DHCD) in partnership with Virginia Housing (VH). The HTF is coordinated and targeted to our lowest income residents. Since 2014, DHCD has collaborated with Virginia Housing and the Department of Behavioral Health and Disability Services (DBHDS) to coordinate and implement strategies to address the housing needs of vulnerable populations including people with intellectual and developmental disabilities, serious mental illness and those who are chronically homeless through the creation of additional permanent supportive housing (PSH) units.

Financing Example
APAH’s "Ballston Station"

Under construction

Total Cost = $84,861,746
144 Homes

THE HTF IS THE KEY THAT ALLOWS PROJECTS TO PENCIL OUT

| HTF Fall 2020 allocation (FY 21) |
| HTF Competitive Loan Pool Investment |
| Arlington AHIF |
| Virginia Housing Loan |
| LIHTC |
| REACH |
| OTHER: |
| Seller Note |
| Deferred Developer Fee |
| CUMC Capital Campaign |

$900K
$19M
$12.8M
$27.6M
$8.75M
$10.11M
$1.625M
$4M

$104.38M* + Various Additional Sources = 10,764

*FY14-FY22

New or Preserved Homes

$150M in FY24 = 12,000 new affordable homes.
The Need for Increased Funding

The Joint Legislative Audit & Review Commissions’ Affordable Housing in Virginia 2021 report found that the state faces a shortage of at least 200,000 affordable homes. This shortage is due to historically low supply, rising demand, and stagnant wages for many working class occupations.

Every region in the state has a shortage of available rental units, but the fastest-growing are the Northern Virginia, Richmond, and Hampton Roads regions which account for over 70 percent of the needed units. (JLARC, Housing Forward Virginia)

Increased funding would help meet the rising unmet demand and further address Virginia’s affordable housing shortage.

SHARP INCREASES IN BUILDING AND LABOR COSTS AND RENT MEAN WORKERS IN OUR ECONOMY ARE STRUGGLING TO FIND HOMES WITHIN THEIR BUDGETS. MORE RESOURCES ARE NEEDED TO KEEP UP.

THE COST OF RENT CONTINUES TO RISE

In Virginia, the average asking rent for a one-bedroom rental is $1,544

A renter household would need to earn at least $61,760 to not be housing cost burdened*

COSTAR, Q3 Quarter-to-Date Rent for 1 bedroom as of 8/1/2022
*cost burdened—paying more than 30% of income on housing expenses

Impact of the VHTF

It Contributes to Virginia’s Economy
The HTF has leveraged on average $30 in non-state funds for every $1 in state investment.

Map of Projects Funded by the Virginia Housing Trust Fund

View HTF stats by House and Senate Districts here

FOR ADDITIONAL INFORMATION PLEASE CONTACT:

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