

Budget Initiatives

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**VIRGINIA DEPARTMENT OF HOUSING
AND COMMUNITY DEVELOPMENT**

Partners for Better Communities

www.dhcd.virginia.gov

Overview

- Housing Trust Fund
- Virginia Grocery Investment Fund
- Virginia Telecommunication Initiative (Broadband)
- Southwest Virginia Cultural Heritage Foundation
- Birthplace of Country Music
- Vice Presidential Debate

Housing Trust Fund

Introduced Budget	
FY 2017	FY 2018
Base budget- \$4 Million	Base budget- \$4 Million
New Funding- \$6 Million	New funding- \$6 Million
TOTAL- \$10 Million	TOTAL- \$10 Million

- HTF creates and preserves affordable housing and assists in reducing homelessness
- Primarily for subsidized loans however per statute up to 20% used for grants to address homelessness and foreclosure
- Within grants there is priority placed on addressing homelessness among youth and families

Housing Trust Fund

- In many of Virginia's housing markets employees in key economic sectors – including many public sector jobs – cannot afford homeownership and often struggle to rent decent housing.
- Virginia has made significant strides in reducing homelessness in recent years.
 - From 2010 to 2015, overall homelessness decreased 23 % and family homelessness decreased 25%.
 - HTF has provided permanent supportive housing for the homeless including veterans.
- Additional appropriations would allow DHCD to expand efforts to address the affordable housing priorities in the Commonwealth.
 - Permanent supportive housing
 - Veterans housing
 - Workforce housing
 - Critical rental housing needs in high cost markets
 - Special Needs Housing
 - Reform of public housing

2015-2016 Virginia Housing Trust Fund Allocation

Loans	
Competitive Loan Pool	\$5,523,892
Comprehensive Neighborhood Revitalization Pilot	\$1,500,000
Grants	
Homeless Reduction Competitive Grant Pool	\$1,000,000
Administration	\$160,000
Total	\$8,183,892*

- 2015-2016 Demand
 - Nearly \$1.8 million requested for the \$1 million in Homeless Reduction Grant (22 applicants)
 - Nearly \$18 million requested for the \$5.5 million in the Competitive Loan pool (31 applicants)
 - Eight applications received for the Neighborhood Revitalization Pilot program, representing a total of over \$19 million in requests.

2015-2016 HTF Funded Projects

- Cypress Landing- Chesapeake-
 - 50-units affordable apartments for homeless and/or disabled veterans
- Powell Valley Village Apartments- Lee County-
 - Affordable housing opportunities for low-income and very low-income individuals and households
- Old Forest Village- Lynchburg
 - 28 apartments specifically for persons with disabilities and low incomes
- Pathways Homes Permanent Supportive Housing First Program – Fairfax County
 - Permanent Supportive Housing for 4-6 chronically homeless adults with severe and persistent mental illness.
- Ada Park- Newport News
 - 42 new construction, energy efficient, affordable multi-family homes. (five of the units will be targeted specifically ID/DD individuals)

2013-2014 HTF

- Of the \$8 million investment:
 - \$5.3M invested in creating or preserving affordable housing
 - Many projects serving very low and extremely low income populations that are hard to serve (chronically homeless and ID/DD)
 - Total project costs exceed \$40 million
 - Over 300 affordable housing units created or preserved
- 250 individuals and families assisted through homeless reduction and permanent supportive housing assistance

HTF Independent Review

- The Virginia Center for Housing Research at Virginia Tech studied the impact of the 2013-2014 HTF allocation and found:
 - Major impact on the state economy
 - \$98,439,796 in regional growth
 - HTF Investment and leveraged funds created:
 - 533 jobs
 - \$23,014,396 in earnings

Virginia Grocery Investment Fund

Introduced Budget	
FY 2017	FY 2018
\$5 Million	\$5 Million

- Establishes an investment fund to ensure access to healthy and affordable food to underserved rural and urban communities
- The \$10M total state investment would leverage private funds to assist up to 20 grocery store developments
 - \$15M -Virginia Community Capital
 - \$75M in additional public/private funding leveraged
- More than 1.7 million Virginia residents, including 480,000 children, live in areas with limited grocery store access
- The uneven distribution of grocery stores leave a disproportionate number of low income people without access to nutritious food

Virginia Grocery Investment Fund

- The Fund would create a public-private partnership by providing flexible loan and grant financing to leverage private investments for the development of supermarkets and other healthy food retail stores.
- Funding decision vetted through private lenders who ensure the businesses are credit worthy.
- Private banks underwrite the risk and insure financial viability.
- Banks monitor projects to ensure implementation is consistent with normal banking practices.

Virginia Telecommunication Initiative



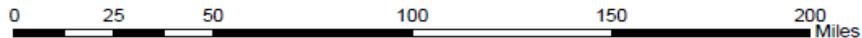
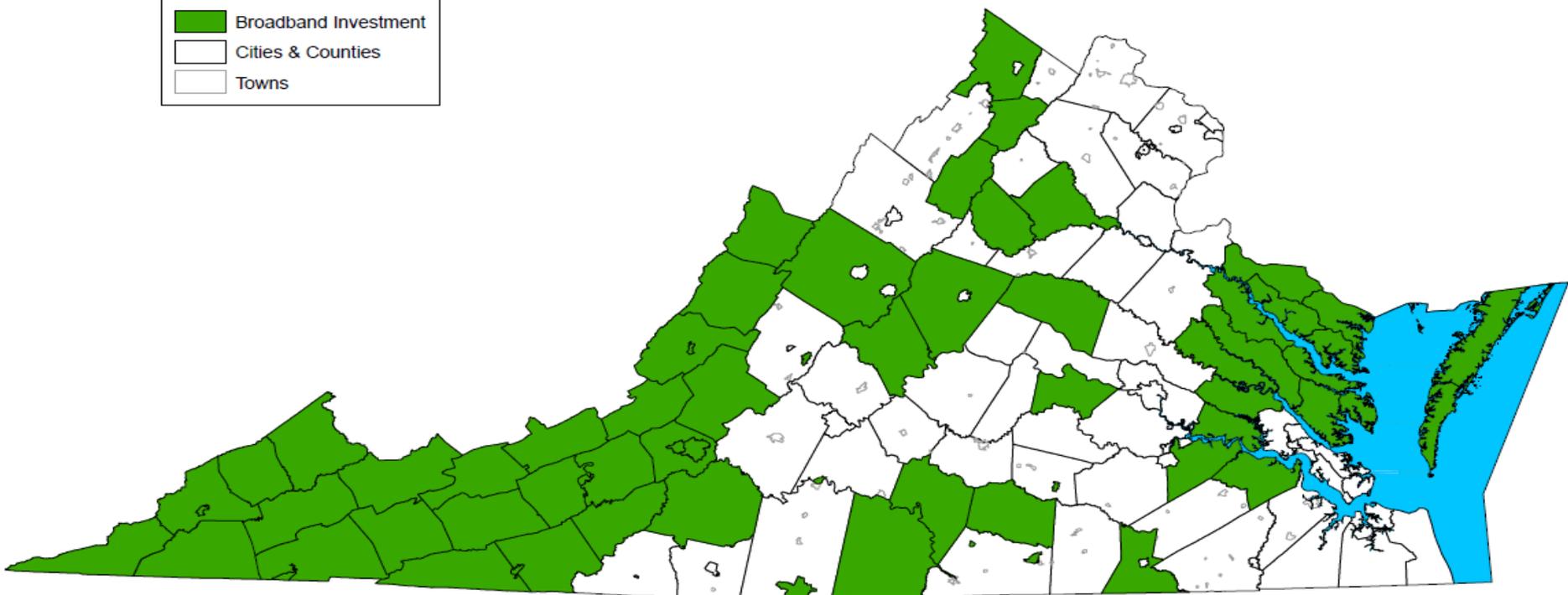
Introduced Budget	
FY 2017	FY2018
Broadband planning- \$250,000	Broadband planning- \$250,000
Broadband Implementation- \$2.5M	Broadband Implementation- \$2.5M

- Broadband is essential infrastructure to ensure communities grow and thrive in the global economy.
 - Crucial in education, public safety, health care and civic life.
- According to the Center for Rural Strategies, less than half of rural adults have access to broadband, while two-thirds of urban and suburban adults do.
 - Providing affordable, high-speed telecommunications is a pillar of rural economic restructuring
- Broadband is essential to the re-invention of a community's economic base and the creation of an asset-based approach to economic vitality
- Anticipate funding up to 10 Broadband Planning grants and 15 implementation projects in communities and regions throughout the state.

Virginia Telecommunication Initiative

- Existing fund sources assisting with broadband implementation are often structured as loans
 - VRA and USDA
- The State funds provided for implementation will help to provide “gap financing” necessary to encourage private providers to extend their availability to rural communities.
- Assistance will focus on underserved markets and coordinated with new Connect America Fund investments where appropriate

DHCD Broadband Investments 2002 - 2015



1/15/2016

Southwest Virginia Cultural Heritage Foundation (SWVCHF)

Introduced Budget	\$875,000
Base budget- \$475,000	New funding-\$400,000

- State entity created through legislation.
- Seeks to increase asset-based economic development through cultural and natural heritage tourism.
- Regional economic development strategy- 19 counties
- Developed Heartwood: Southwest Virginia's Artisan Gateway to showcase the regions assets.
 - Provides support to The Crooked Road heritage music trail and 'Round the Mountain artisan craft collaborative.
- Administrative support provided by DHCD.

Additional Items

- Birthplace of Country Music
 - \$500,000 the first year to the City of Bristol to support the Birthplace of Country Music Museum
- Vice Presidential Debate
 - \$132,400 the first to the Town of Farmville to support the vice presidential debate to be hosted at Longwood University