
VIRGINIA STATE BUDGET

2004 Session

Budget Bill - HB29 (Introduced)

Bill Order » Office of Commerce and Trade » Item 111

Department of Housing and Community Development

Item 111 (Not set out)	First Year - FY2003	Second Year - FY2004
Housing Assistance Services (45800)	\$43,415,245	\$45,069,040
Housing Assistance (45801)	\$2,358,179	\$2,246,874
Shelter Payments (45804)	\$16,433,120	\$16,948,220
Financial Assistance for Housing Services (45805)	\$24,623,946	\$25,873,946
Fund Sources:		
General	\$6,767,013	\$7,670,808
Special	\$395,161	\$395,161
Dedicated Special Revenue	\$180,000	\$180,000
Federal Trust	\$36,073,071	\$36,823,071

Authority: Title 36, Chapters 1.4, 8, 8.1, 9, and 11; and Title 58.1, Chapter 3, Articles 4 and 13, Code of Virginia.

A. The amounts for Housing Assistance Services include \$1,974,220 from the general fund, \$180,000 from dedicated special revenue, and \$3,384,900 from the federal trust fund the first year and \$2,115,220 from the general fund, \$180,000 from dedicated special revenue, and \$3,343,900 from the federal trust fund the second year to support emergency shelters and housing for populations with special needs, and \$3,891,000 the first year and \$4,500,000 the second year from the general fund for homeless prevention. The amounts allocated for emergency shelters shall be matched through local or private sources. Any balances for the purposes specified in this paragraph which are unexpended at the close of business on June 30, 2003, and June 30, 2004 shall not revert to the general fund, but shall be carried forward and reappropriated.

B. The amounts for Housing Assistance Services include \$10,900,000 from federal funds the first year and \$10,900,000 from federal funds the second year to support Virginia Housing Partnership programs and the Indoor Plumbing Program.

C. Out of the amounts in this Item shall be provided \$310,000 the first year and \$360,000 the second year from the general fund for a child service coordinator referral system in domestic violence and homeless shelters serving minor children.

D. Out of the amounts in this Item shall be provided \$10,000 the first year and \$10,000 the second year from the general fund for operating support of Miriam's House, Incorporated, to assist transitional housing programs for the homeless.

E. The Department shall report to the Chairmen of the Senate Finance and the House Appropriations Committees by November 4 of each year on the state's homeless programs, including, but not limited to, the number of (i) emergency shelter beds, (ii) transitional housing units, (iii) single room occupancy dwellings, and (iv) homeless

intervention programs supported by state funding on a locality and statewide basis. The report shall also include the number of Virginians served by these programs, the costs of the programs, and the financial and in-kind support provided by localities and nonprofit groups in these programs. In preparing the report, the Department shall consult with localities and community-based groups.

F. The amounts for Housing Assistance Services include \$4,250,000 the first year and \$5,000,000 the second year from the federal Temporary Assistance for Needy Families (TANF) funds received by the Commonwealth after October 1, 1999, for support of programs for homeless families.

G.1. The Director of the Department of Housing and Community Development shall enter into an agreement with the Virginia Housing Development Authority, whereby the Authority shall purchase the portfolio of outstanding loans and other assets comprising the Virginia Housing Partnership Revolving Loan Fund upon such terms as shall be mutually agreed to by the Department and the Authority.

2. The Authority shall contract with a third party, subject to approval by the Secretary of Commerce and Trade, to review the underwriting and pricing of the portfolio with the costs of such review to be paid by the Authority. In selecting the third-party reviewer, the Secretary shall take into consideration the candidates' experience in the underwriting, pricing or sale of community development loan portfolios.

3. The agreement shall set out the details of the transfer of the responsibilities and functions of the housing finance activities of the Department to the Authority. As part of the agreement, any residual balances from the sale of the Virginia Housing Partnership Revolving Loan Fund shall be transferred to the Authority to be used in conjunction with existing resources to provide affordable housing to low-income Virginians not currently served by existing Authority programs.

4. Before the execution of such agreement, the Secretary of Commerce and Trade shall provide the House Appropriations and Senate Finance Committees the opportunity to review the agreement. For this review, the Secretary shall also include information identifying the options and alternatives reviewed for carrying out the purposes of § 36-142, Code of Virginia, as well as the rationale for selecting the option incorporated in the draft agreement. In developing and assessing options, the Secretary shall consult with representatives of the housing industry, including the Virginia Housing Coalition.

5. The draft agreement submitted by the Secretary of Commerce and Trade shall also include the discount rate to be applied in calculating the market value of the loan portfolio, and other pertinent items.

6. Upon execution of the agreement, the Authority shall deposit the proceeds of the sale into the Virginia Housing Partnership Revolving Loan Fund. Notwithstanding the provisions of §§ 36-141 through 36-151, Code of Virginia, the Director of the Department of Housing and Community Development is directed to pay from the proceeds of the sale of the Virginia Housing Partnership Revolving Loan Fund the amount of \$40,822,000 to the general fund prior to June 30, 2003.

7. The Secretary of Commerce and Trade shall review the need to amend state statutes concerning the Virginia Housing Partnership Revolving Loan Fund. If he concludes that the sale of the portfolio or that the use of any residual balances warrant changes to the Code of Virginia, he shall submit legislation in the 2004 Session to effect such changes.