2014 Special Session I

Budget Bill - HB5001 (Chapter 1)

Bill Order » Office of Commerce and Trade » Item 108

Department of Housing and Community Development

Item 108 (Not set out)

	First Year - FY2013	Second Year - FY2014
Housing Assistance Services (45800)	**$41,549,112**	**$49,249,112**
Housing Assistance (45801)	$17,573,222	$25,773,222
Homeless Assistance (45804)	$19,690,890	$19,190,890
Financial Assistance for Housing Services (45805)	$4,285,000	$4,285,000
Fund Sources:		
General	$13,942,796	$21,642,796
Special	$344,537	$344,537
Dedicated Special Revenue	$100,000	$100,000
Federal Trust	$27,161,779	$27,161,779

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

A. The amounts for Housing Assistance Services include $3,982,705 from the general fund, $100,000 from dedicated special revenue, and $3,427,000 from the federal trust fund the first year and $3,482,705 from the general fund, $100,000 from dedicated special revenue, and $3,427,000 from the federal trust fund the second year to support services for persons at risk of or experiencing homelessness and housing for populations with special needs, and $4,050,000 the first year and $4,050,000 the second year from the general fund for homeless prevention. Of the general fund amount provided, the department is authorized to use up to two percent in each year for program administration. The amounts allocated for services for persons at risk of or experiencing homelessness 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, 2013, and June 30, 2014, shall not revert to the general fund, but shall be carried forward and reappropriated.

B. The amounts for Housing Assistance Services include $15,800,000 the first year and $15,800,000 the second year from federal funds to support Virginia affordable housing programs and the Indoor Plumbing Program.

C. Out of the amounts in this Item shall be provided $330,453 the first year and $330,453 the second year from the general fund for a child service coordinator referral system in homeless service programs serving minor children.

D. Out of the amounts in this Item shall be provided $500,000 the first year and $500,000 the second year from the general fund for a rapid re-housing program.

E. The department shall report to the Chairmen of the Senate Finance, the House Appropriations Committees, and the Director, Department of Planning and Budget 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, (iv) homeless intervention programs, (v) homeless prevention programs, and (vi) the

number of homeless individuals supported by the permanent housing state funding on a locality and statewide basis and the accomplishments achieved by the additional state funding provided to the program in the first year. 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. Out of the amounts for this Item, $50,000 the first year and $50,000 the second year from the general fund and one position are provided to support the administrative costs associated with administering the tax credits authorized pursuant to the provisions of Chapter 520, 2010 Acts of Assembly.

G.1. There is hereby created the Virginia Housing Trust Fund, hereafter referred to as "the Fund." Out of the amounts in this appropriation, $8,000,000 the second year from the general fund shall be deposited into the Fund. Interest earned on moneys in the Fund shall remain in the Fund and be credited to it. Any moneys remaining in the Fund, including interest thereon, at the end of each fiscal year shall not revert to the general fund but shall remain in the Fund. The Department shall work in collaboration with the Virginia Housing Development Authority (VHDA) to provide loan origination and servicing activities as needed to carry-out the provisions of this Fund. The costs of such services will be considered an eligible use of the Fund.

2. The Department, through VHDA, shall use at least 80 percent of the moneys from the Fund to provide flexible financing for low-interest loans through eligible organizations. Such loans shall be structured to maximize leveraging opportunities. All such funds shall be repaid to the credit of the Fund. Loans may be provided for:

a. Affordable rental housing to include new construction, rehabilitation, repair, or acquisition of housing to assist low or moderate income citizens, including land and land improvements;

b. Down payment and closing cost assistance for homebuyers; and,

c. Short, medium and long term loans to reduce the cost of homeownership and rental housing;

3. The Department may use up to 20 percent of the moneys from the Fund to provide grants through eligible organizations for targeted efforts to reduce homelessness, including:

a. Temporary rental assistance, not to exceed one year;

b. Housing stabilization services in permanent supportive housing for homeless individuals and families;

c. Mortgage foreclosure counseling targeted at localities with the highest incidence of foreclosure activity; and,

d. Pre-development assistance for permanent supportive housing and other long term housing options for the homeless.

4. Organizations eligible for funding from the Fund shall include the following: (i) localities; (ii) local government housing authorities; (iii) regional or statewide housing assistance organizations that provide assistance to low and moderate income or low-income citizens of Virginia, and (iv) limited liability companies expressly created for the purpose of owning and operating affordable housing.

5. Prior to the expenditure of any funds appropriated for the Virginia Housing Trust Fund the department, in conjunction with the Virginia Housing Development Authority, shall submit a plan outlining its proposed uses of the funds to the General Assembly. Such plan shall be provided to the Chairmen of the House Appropriations Committee and the Senate Finance Committee no later than November 1, 2012.