

Virginia Department of Housing and Community Development and Board of Housing and Community Development



ners for Better Communitie www.dhcd.virginia.gov





#### **Agency Mission**

The Virginia Department of Housing and Community

Development (DHCD) is committed to creating safe,

affordable, and prosperous communities to live, work and do

business in Virginia.

**#Partnersforbettercommunities** 



- The Board and Department were created in 1977
   GA, effective in 1978
- Located in the Executive Branch of Government within the Secretariat of Commerce and Trade
- Receive state general funds as well as significant
   HUD funding
- BHCD is a gubernatorial appointed Board; 11
   Congressional Districts, 3 ex-oficio



#### **Powers and Duties of the Board**

- Advise the Department and the Governor regarding Housing and CD policy
- Promulgate rules and regulations as directed in Code and by the Governor

Promulgate building and fire safety regulations





#### **Powers and Duties of the Director**

- Supervise the Department and exercise other powers and perform other duties as may be required by the Governor.
- Develop state community development policies, goals, plans and programs.
- Develop a Consolidated Plan for all federally funded Community Planning and Development
   Division programs of HUD (NHTF, CDBG, HOME, HOPWA, ESG).
- Administer and coordinate state housing programs
- Administer provisions of building safety laws

#### **Department Overview**

- Community Development and Housing
- Economic Development and Community Vitality
- Building and Fire Regulation
- Administration
- Policy and Legislative Office
- External Affairs and Communications
- Office of Broadband
- Eviction Prevention and Rental Assistance
- Southwest Virginia Cultural Heritage Foundation

#### **Additional Roles of DHCD**

- Staff support to additional boards.
- Coordination and collaboration with other state agencies.
- DHCD regularly serves as a pass-through organization for state funding to agency related entities.
- Broadband
- GO Virginia
- Rent Relief and Eviction Prevention



#### Administration

The mission of the Operations Division is excellence by providing *A*+ customer service and creating value to make a positive difference in the lives and work of our stakeholders.

- Operating procedures
- Finance/Budget
- Human Resources
- Information Technology
- Procurement



#### **External Affairs and Communications**

The Office of Communications and External Affairs develops, coordinates, administers and manages DHCD's outreach and engagement efforts in coordination with the Secretary of Commerce and Trade and Governor's Office.

#### **Communications**

- Event Management including coordinating Virginia Governor's Housing Conference
- Front Desk Management and Administrative Support for agency leadership
- Coordination with SOCT and Governor's Office
- Works in collaboration with the Division of Administration and Office of Policy and Legislative Services on internal coordination and agency project management



#### **Policy Office**

- Policy Office
  - O Commission on Local Government (CLG)
  - Board of Housing and Community Development (BHCD)
  - Legislative Affairs



# Division of Community Development and Housing





### **Consolidated Plan**

Housing and Urban Development (HUD) requirement

Purpose: To inform HUD and applicants of DHCD priorities

- Consolidated Plan completed every 5 years with the following components:
  - Annual Action Plan and Consolidated Annual Plan Evaluation Report (CAPER) completed annually
  - Needs Assessment
    - Housing
    - Homelessness
    - Non-Homeless Special Needs Housing
    - Non-Housing Community Development
  - Strategic Plan
  - Market Analysis
- Analysis of the Impediments to Fair Housing





### The Resources

- HOME Investment Partnership (HOME)
- National Housing Trust Fund (NHTF)
- Emergency Solutions Grants (ESG)
- Housing Opportunities for Persons with AIDS (HOPWA)
- Community Development Block Grant (CDBG)





### The Process

- Consolidated Plan Input Sessions
- Community Development Input Sessions
- Homeless System Input Sessions
- Virginia Housing (VH)/DHCD Stakeholder Survey
- Consultation with other state agencies and state plans
- Written comments
  - USPS
  - Online portal
- Public Notice and Hearing
- DHCD board review/approval





## Resources included in the Consolidated Plan





### **HOME**

#### **HOME Investment Partnerships Program (HOME)**

- Provides formula grants to states and localities
- Funds a wide range of activities including building, buying, and/or rehabilitating affordable housing for rent or homeownership or providing direct rental assistance to low-income people
- HOME is the largest Federal block grant to state and local governments designed exclusively to create affordable housing for low-income households





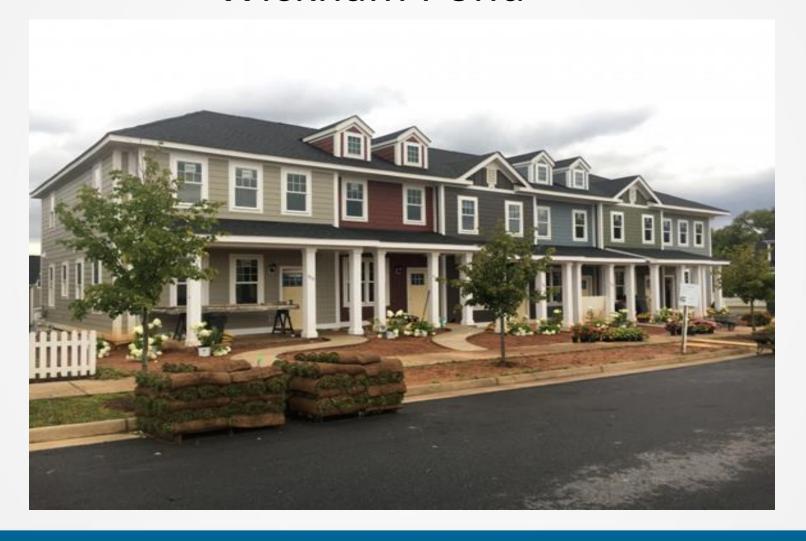
## Greater Charlottesville Habitat for Humanity Wickham Pond







## Greater Charlottesville Habitat for Humanity Wickham Pond







## **National Housing Trust Fund**

- Federal program administered by HUD
- An annual block grant to states
- Supports the creation and preservation of affordable housing for extremely low-income households (at or below 30 percent area median income [AMI])
- DHCD allocates these funds based on a competitive application process to projects that will provide or preserve critical affordable rental housing based on local market need, and project feasibility/readiness, and developer capacity





## Church Street Station Studios South Hampton Roads







## **Emergency Solutions Grant**

#### **DHCD** provides funding for:

- Shelter operations
- Homeless Management Information System (HMIS)
- Rapid Re-Housing (RRH)

#### **Overall Goals of Virginia Homeless Solutions Program:**

- To reduce the number of individuals/households who become homeless
- Shorten the length of time an individual or household is homeless
- Reduce the number of individuals/households that return to homelessness





## Housing Opportunities for People with AIDS (HOPWA)

- Provides a range of housing and supportive services
- Eligible applicants are persons who:
  - Fall below 80% AMI
  - Have HIV or AIDS and their respective families
- DHCD administers HOPWA funds to communities serving non-eligible metropolitan statistical areas – nonentitlement areas





## Community Development Block Grant (CDBG)

#### Goals of the CDBG Program are to:

- Improve the economic and physical environment in Virginia's communities through activities which primarily benefit low- and moderate-income persons
- Prevent or eliminate slums and blighting conditions
- Meet urgent needs which threaten the welfare of citizens

CDBG provides funding to eligible units of local government for planning and implementing projects that address critical community development needs, including housing, infrastructure and economic development





### Virginia Housing Trust Fund

State general fund program

Low interest loans for affordable housing

Homeless reduction grants

- Significant increase from inception to present





### **Communities of Opportunity**

- State tax credit for landlords renting to housing choice voucher holders in areas opportunity

- Expanded from Richmond, to Hampton Roads, to Nova

New legislation will make the program statewide





## **Integrating Programs**

#### Vibrant Community Initiative (VCI)

- Internal collaboration between the Housing Division and the Community Development Division as well collaboration with VH
- Local or regional transformational community-based projects with affordable housing, community development, and/or economic development components
- Must include a housing component
- Combines multiple funding sources HOME, CDBG, Virginia Housing Trust Fund, and VH resources





## Old Price's Fork School Project







## Old Price's Fork School Project

- Multiple Family Mixed Income Rental
  - VCI Virginia Housing Trust Fund
  - Other non-VCI resources
- Brewery/market/restaurant
  - VCI CDBG
  - Locality is the grantee
  - Local loan to the developer
- Small Business Incubator
  - VCI CDBG
  - DHCD Building Entrepreneurial Economies (BEE) (former program)





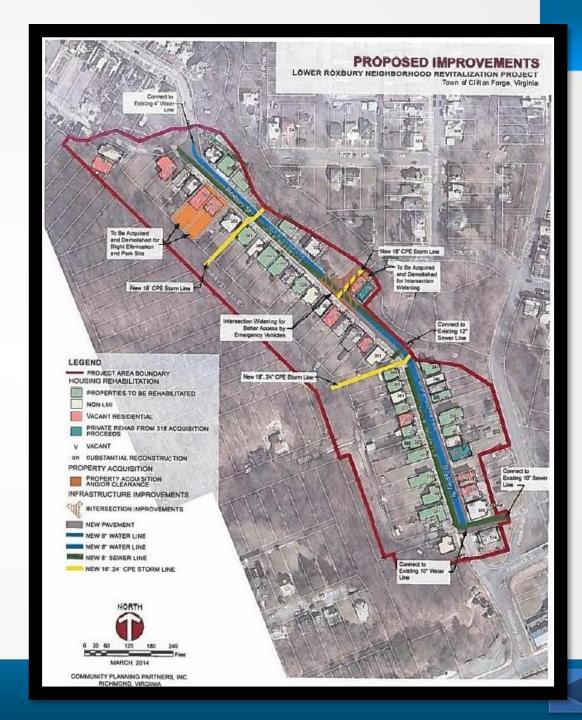
### **Comprehensive Community Development project**







## Project Area





## **Project Components**

- Acquisition and Clearance (3 units)
- Housing Rehabilitation
  - Owner-Occupied Units (14 units)
  - Renter-Occupied Units (4 units)
  - Substantial Reconstruction (2 units)
- Sewer Improvements
- Water Line Improvements
- Flood Drainage Improvements
- Street Improvements
- Neighborhood Park
- Neighborhood clean-up
- Home Maintenance Education

Total Grant Award
\$1.2 million (MY project)
\$1.1 million in leverage funds (Alleghany
Foundation,

Local Funds, Department of Environmental Quality (DEQ)

100% of the households assisted were low- to moderate-income 70% of the project is comprised of low- to moderate-income families





## Before and After: Substantial Reconstruction











Community Development Block Grant Business District Revitalization project





## **Dungannon Stage**



\$3,000 grant from RALLY Initiative through UVA-Wise

Funded by the Virginia Appalachian Regional Commission (ARC) program

**Labor and Materials were donated** 





## **Project Components**

- 8 façades
- Acquisition of 3 buildings
- Demolition of blighted structure
- Development of Farmer's Market and Pavilion
- Streetscape
- Public Restrooms
- Playground
- Horse Trail
- Construction of a stage

Total Grant Award \$700,000

\$325,000 in leverage funds (Tobacco Commission, VDOT, local funds, and ARC)





### **Before and After: Old Post Office**









# Before and After: Farmer's Market









# **Private Activity Bonds**





IRS program allowing each state to issue a certain amount (the Volume Cap) of tax-exempt, *Private Activity Bonds* 

Pool	Percent
Local Housing Authorities	14
Virginia Housing	43
Industrial Development	25
Governor's Pool	18
Total	100

Private development for a public purpose

Federal requirements

State Code requirements

Private Activity Bond Guidelines





### **Local Housing Authority**

- Affordable housing
- Through local housing authority or IDA/EDA
- •Since 2017 significant increase in projects and usage

### **Governor's Pool**

- Discretionary pool
- Housing, economic development, manufacturing,
   waste management/recycling, certain infrastructure







# Virginia Department of Housing and Community Development

**Economic Development/ Community Vitality Division** 

DHCD Board Retreat May 9, 2022







**COMMUNITY BUSINESS LAUNCH (CBL)** 

**ENTERPRISE ZONE (EZ)** 

**GO VIRGINIA** 

**INDUSTRIAL REVITALIZATION FUND (IRF)** 

PORT HOST COMMUNITIES REVITALIZATION FUND (PHCRF)

**RESURGENCE** 

VIRGINIA INDIVIDUAL DEVELOPMENT ACCOUNTS (VIDA)

**VIRGINIA MAIN STREET (VMS)** 

**VIRGINIA SMALL BUSINESS RESILIENCY FUND (VSBRF)** 



### **ENTERPRISE ZONES**

The Virginia Enterprise Zone (VEZ) program is a partnership between the Commonwealth of Virginia and local governments designed to incentivize job creation and real **property investment**. The goal of the program is to promote local and regional economic development and revitalization, particularly in areas that are considered "economically distressed "

# SINCE GRANT YEAR 2016, THE EZ PROGRAM HAS



Provided 1,075 grants totaling \$68M in 45 zones across Virginia



\$1.278 billion in private investments made to properties in zones



Businesses have created/retained more than 13,600 jobs in zones

# Enterprise Zone (EZ) Snapshot



**WHAT**: Funding for the construction or rehabilitation of commercial properties, and high wage job creation.

**WHY:** To incentivize real estate investment and job creation in distressed communities.

**HOW:** Performance-based grants of up to \$200,000 for real estate investment, and up to \$800 per job created or retained.

**WHEN:** Awarded Annually, with April 1 Application Deadline

**WHO:** Investors and companies making investments and creating jobs within a designated zone.



### **VIRGINIA'S ENTERPRISE ZONES**

### **Enterprise Zones**

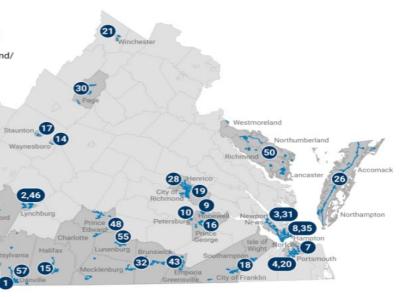
- 1 Danville 2.46 Lynchburg
- 3,31 Newport News
- 4,20 Portsmouth
  - 5 City of Roanoke
  - 6 Saltville/Smyth
  - 7 Norfolk
- 8.35 Hampton 9 Hopewell
  - 10 Petersburg
  - 11 Wythe
  - 12 Bedford

  - 14 Waynesboro
- 15 Halifax/South Boston
- 16 Prince George
- 17 Staunton
- 18 Isle of Wight/Southampton/ City of Franklin
- 19 City of Richmond
- 21 Winchester
- 22 Patrick/Stuart
- 23 Scott

Source: DHCD, VEDP - Jul 2019

- 24 Pittsylvania
- 25 Pulaski/Radford

- 26 Accomack/Northampton 27 Carroll/Galax/Grayson
- 28 City of Richmond/Henrico
- 29 Bristol 30 Page
- 36,54 Martinsville/Henry
  - 32 Brunswick/Mecklenburg
  - 43 Emporia/Greensville
  - 44 Tazewell
  - 48 Charlotte/Lunenburg/Prince Edward
  - 49 Dickenson/Clintwood/Haysi
  - 50 Lancaster/Northumberland/Richmond/ Westmoreland/Kilmarnock/Warsaw



51 Smyth/Washington/Chilhowie/Glade Spring

53 Alleghany/Covington/Clifton Forge 55 Lunenburg/Kenbridge/Victoria

57 Pittsylvania/Danville

52 Wise

Enterprise Zone Designation

Enterprise Zone Boundary

Locality with Enterprise Zone





### **Program Overview**

- The Virginia Enterprise Zone program is a partnership between state and local government to encourage job creation and private investment in targeted areas of the state.
- The program accomplishes this by designating zones throughout the state and providing two grant-based incentives, the Job Creation Grant (JCG) and the Real Property Investment Grant (RPIG).
- The two state incentives are available to businesses and Zone Investors who create jobs and/or invest in real property within the boundaries of Enterprise Zones.

### **Recent EZ Grantees**

\$3.69 million rehab of decommissioned coal-fired power plant by Arts & Letters Creative in Richmond.

Arts & Letters Creative Co., an independent creative company working in advertising and technology, renovated the location for its second office in Richmond. The building, a decommissioned coal-fired power plant, once generated the power for Lucky-Strikes production facility. The company received \$88,410 in RPIG funds.





# Nine million investment in Compass Entertainment complex in Lancaster County.

Compass Entertainment Center completed construction of its new building and facilities in 2020. Compass is a complex that includes a restaurant, six movie theaters, an arcade, flip-zone bumper cars, three climbing walls, virtual reality games and a kids' play zone, along with an indoor high adventure course.

### **Recent EZ Grantees**



\$5.5 million investment to historic building completes Danville's first boutique hotel Downtown.

Once home to The Danville Register & Bee, the renovated building in the bustling River District of Danville is now the Bee Hotel. The Bee was renovated to mix old with new by mixing the exterior architectural details of the historic building with the modern boutique style on the interior. The company received \$176,821 in RPIG funds.



Speyside Bourbon creates over 50 new jobs in Smyth County, VA.

Speyside Bourbon created over 50 jobs in 2020 with plans to add more in upcoming years. The company manufactures barrels locally from wood purchased in the Commonwealth. The company received a total of \$30,566 in job creation grants.



### **Recent EZ Grantees**



Blue Ridge Aquaculture invested \$1.4 million in Henry County and received \$95,872 in Real Property Investment Grant funds.

Blue Ridge Aquaculture, Inc. is the world's largest producer of tilapia using indoor recirculating aquaculture systems. In 2020, the company completed construction of a new, state-of-the-art nursery facility to support its existing farming operations and future growth plans. Company infrastructure includes a 90,000ft. indoor aquaculture (RAS) facility used for grow-out operations, a broodstock/genetics operation, hatchery/nursery operation, feedmill/nutrition program, and distribution company. The company currently produces five million pounds of live tilapia per year.



# INDUSTRIAL REVITALIZATION FUND

The intent of the IRF program is to fund shovel-ready projects that will act as a catalyst to spark additional private investment and job creation in distressed areas that have been targeted for economic development and community revitalization as part of a larger economic restructuring or economic development strategy.

# SINCE ITS INCEPTION IN 2012, THE IRF PROGRAM HAS



Assisted 42 projects across Virginia



Generating over \$135 million in public & private investment



Resulting in the creation of more than 495 jobs



# Industrial Revitalization Fund (IRF) Snapshot

**WHAT:** Funding for the rehabilitation of large-scale derelict structures no longer suited for their original purpose

**WHY:** To catalyze revitalization by eliminating blight through market-driven redevelopment

**HOW**: Grants or Loans of up to \$600,000 with a 1:1 match required

**WHEN:** Awarded Annually, with Summer Application Deadline

**WHO:** Local Government applicants (can be on behalf of non-profit or for-profit)







### **ELIGIBLE PROPERTIES**

The program is targeted toward

### vacant and deteriorated

properties whose poor condition creates a notion of physical and economic blight in the surrounding area, and often is a deterrent to surrounding development.

For mixed-use properties, as long as 30% of the project is commercial it is eligible.

### **ELIGIBLE**

Manufacturing
Department Stores
Warehousing
Theaters
Mining
Hotels
Transportation
Shopping Centers
Power Production
School Buildings



### **INELIGIBLE**

Solely Residential Greenfield Sites



### **FUNDING PRIORITIES**

- Relationship to a local or regional economic development strategy
- High degree of blight and deterioration to be addressed
- Project readiness

- Project with a clear end use
- End use has clear & significant community economic impact
- High economic distress in project locality



# Town of Big Stone Gap





Mutual Pharmacy Building





George Wythe Hotel

# Town of Wytheville



Bolling-Wilson Hotel





Town of Clifton Forge





Masonic Theatre



# City of Petersburg



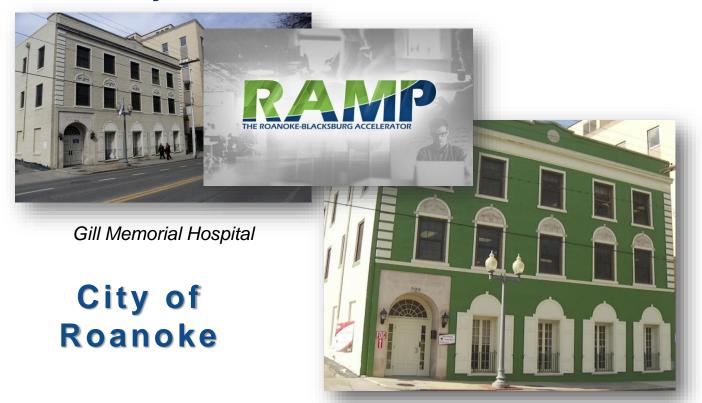
Petersburg Ice & Coal



Trapezium Brewing Company













# Town of Bedford

Woolen Mill



Beale's Brewing





Lumber Yard

# Town of Cape Charles



Cape Charles Brewing Company



Farmers Bakers Market Building

# Town of South Hill



Southern Virginia Food Hub





# American Rescue Plan Act (ARPA) Snapshot

**WHAT:** Funding in response to the COVID-19 pandemic

**WHY:** To help assist small businesses and local economies recover from pandemic-related hardships

**HOW :** Grants or Loans of up to \$5,000,000 with a 1:1 match only required for awards over \$1,000,000

WHEN: Funding available in FY23 and FY24

**WHO:** Local Government applicants (can be on behalf of non-profit or for-profit)





### **Updates to the IRF Program**

The success of the IRF program over the past ten years, as well as the need to support COVID-impacted industries, communities, and people, has led to additional funding through the **American Rescue Plan Act**.





**ARPA Expanded Program** 



The intent of the PHCRF program is to provide funding to be used for the strategic removal or redevelopment of port related properties in the five Port Host Communities of Front Royal, Newport News, Norfolk, Portsmouth, and Richmond.

# SINCE ITS INCEPTION IN 2019, THE PHCRF PROGRAM HAS



Assisted 9 projects in three localities with \$3.5M in funding



Generating over\$7.4 million in public& private investment



### **Newport News**

- Menchville Marina Phases 1 & 2
- 2510 Jefferson Avenue





### **Norfolk**

- Railyard at Lambert's Point
- Willis Building
- Willoughby Boat Ramp





### **Portsmouth**

- Project Power
- Lovett Point
- Shipwright Project







Q&A





# **THANK YOU**



### **Contact Us**

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# Virginia Department of Housing and Community Development Board Retreat

May 9, 2022

**Derek Perry** 

City of Newport News, Department of Development www.newportnewsva.com

# City of Newport News - IRF & PHCRF Projects

**Menchville Marina – Marina Improvements** 

- FY20 PHCRF \$250,000
- FY21 PHCRF \$250,000

2506 Jefferson Avenue – Building Rehabilitation to Create Coworking Space

• FY19 IRF – \$480,000

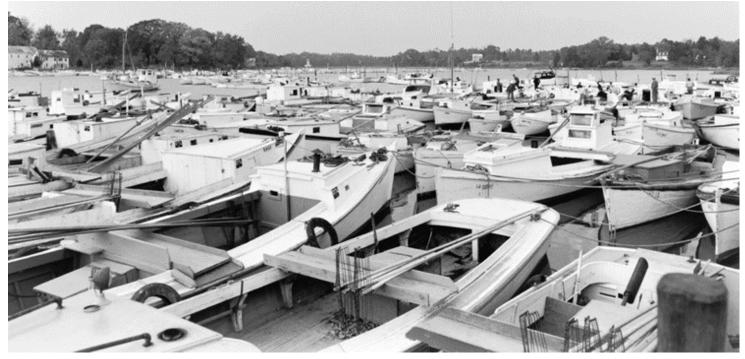
2510 Jefferson Avenue – Building Rehabilitation to Support Commercial Inventory

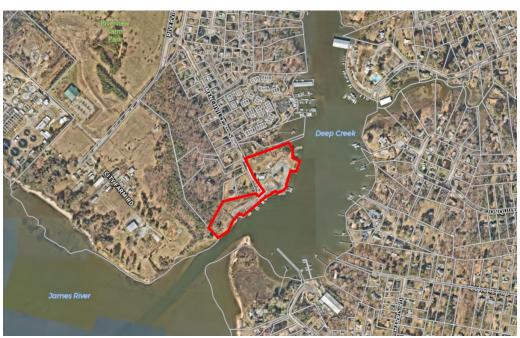
- FY22 IRF \$250,000
- FY22 PHCRF \$250,000

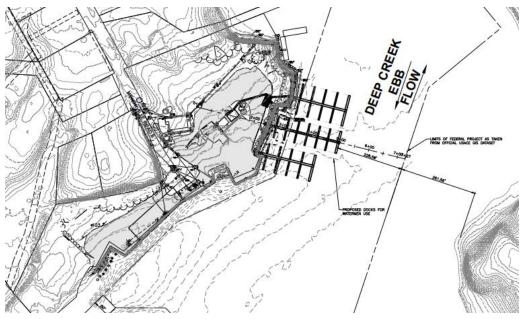


# **Menchville Marina**

- City-Leased Facility
  - New Tenant Selected in 2019 James River Holdings
- FY20 & FY21 PHCRF Grants \$500,000 Total
- Improvements Lighting Upgrades, Shoreline Stabilization, Dock Improvements







#### **Menchville Marina**











#### **Menchville Marina**





#### **Menchville Marina**









Choice Neighborhoods Initiative

- \$500,000 CNI Planning Grant Awarded in 2016
- \$30M CNI Implementation Grant Awarded in 2019
- Implementation Plan Focuses on Elements of Housing, People & Neighborhood











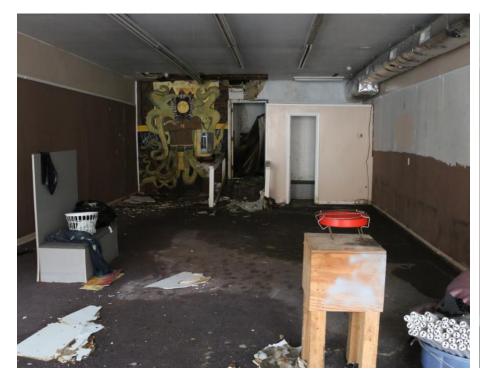


- Purchased by NNRHA in 2015; Conveyed to NNEDA in 2018
- FY19 IRF Grant –\$480,000
- Building Rehabilitation to Create Coworking Space
- Construction Completion in May 2021





















#### **Construction Photos**













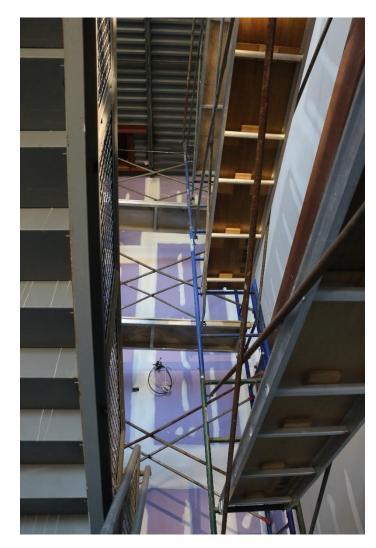
#### **Construction Photos**









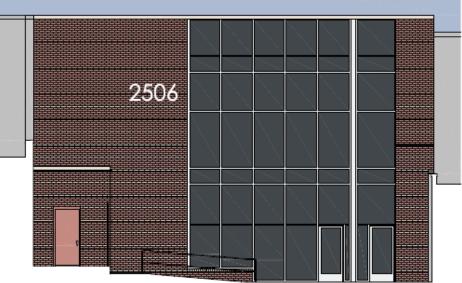


## The Offices @ Two Five & J







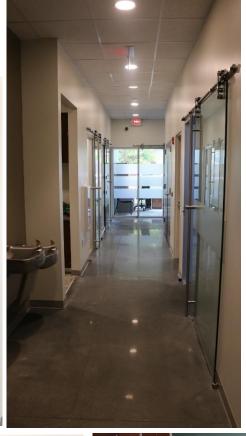


## The Offices @ Two Five & J











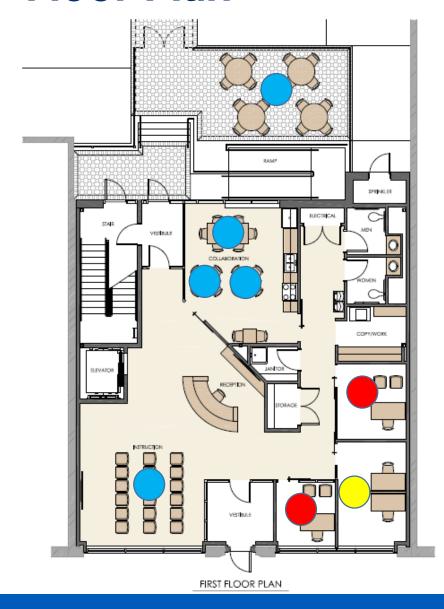


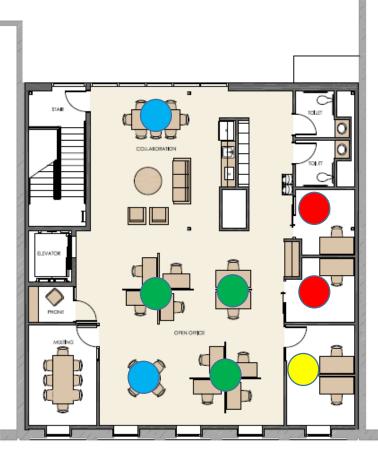


## The Offices @ Two Five & J



#### **Floor Plan**





- Private Office (4)
- Shared Office (2)
- Dedicated Desk (10)
- Hot Desk

SECOND FLOOR PLAN

#### The Offices @ Two Five & J – Vision & Mission

#### **VISION**

To serve as a business hub within the Newport News Southeast Community that encourages professional and entrepreneurial growth and success, networking, and idea sharing, while providing support services to small business owners and entrepreneurs at all stages of business development.

#### **MISSION**

To support the creation and growth of locally-owned business enterprises and stimulate the neighborhood economy through the provision of a first-class shared office facility and accessible business assistance resources and mentorship.



#### Point Management Group – Operation & Management





#### Naming, Branding & Website





theoffices25j.com

### "Uncommon Area" - Partnership with Downing-Gross

**Cultural Arts Center** 

















## Ribbon Cutting – June 2021









- Purchased in 2020
- FY22 PHCRF & IRF Grants
  - \$500,000 Total
- Building Rehabilitation
  - 1<sup>st</sup> Floor –Retail/Commercial
  - 2<sup>nd</sup> Floor Office
- Work Program Architects selected & design underway in 1Q2022.
- Construction
   Commencement
   Anticipated 1Q2023.



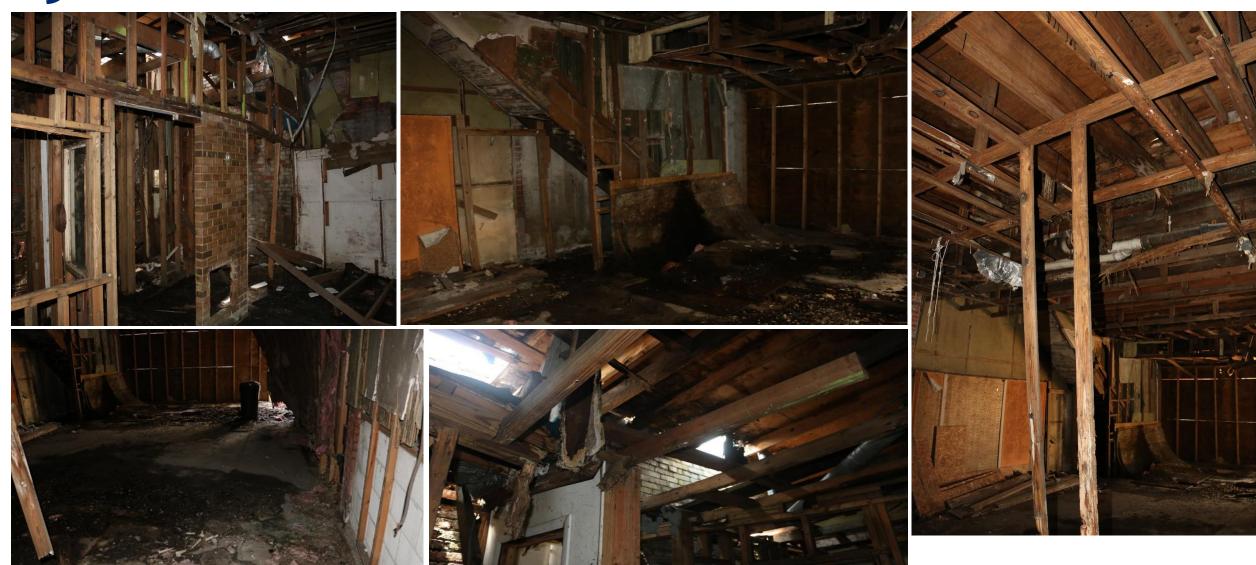














2510 JEFFERSON AVENUE | NEWPORT NEWS, VA





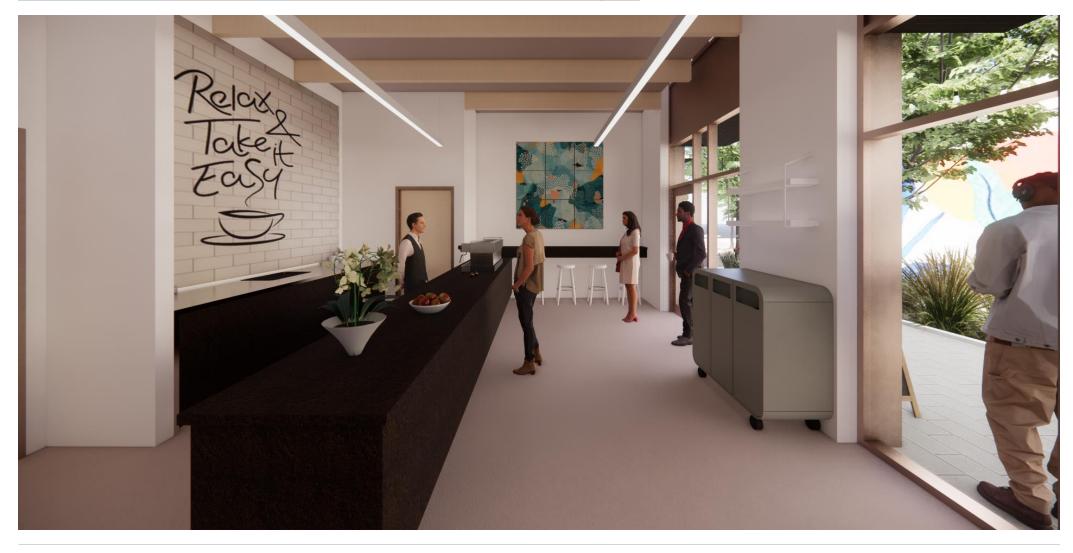
2510 JEFFERSON AVENUE | NEWPORT NEWS, VA





2510 JEFFERSON AVENUE | NEWPORT NEWS, VA











2510 JEFFERSON AVENUE | NEWPORT NEWS, VA



#### **Micro Enterprise Grant**

- Virginia Statewide Business District Resurgence Grant Fund – \$86,000 Provided to Newport News Economic Development Authority
- \$3,500 Grant to Eligible Micro-Businesses
- Available to Micro-Businesses or Business Owners within Target Geography
- Eligible Use of Funds Includes:
  - Marketing and Advertising Expenses
  - Equipment (New or Used)
  - Computer Hardware or Software
  - Development of Online or Mobile Presence
  - Consultant Services
  - Training and Certifications
  - Initial Inventory





## Virginia Department of Housing and Community Development Board Retreat

May 9, 2022

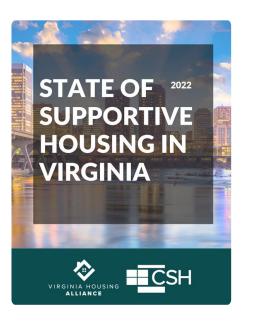
**Derek Perry** 

City of Newport News, Department of Development www.newportnewsva.com



SupportiveHousing EndsHomelessness

896 more supportive housings units connected to local homelessness systems from 2014-2020 (30% increase)





## Supportive Housing

Affordable housing with best-practice services for individuals and families who face many complex medical, mental health, and/or substance use issues





Almost all remain permanently housed.

96%

remain in stable, permanent housing



Almost all choose to stay with us for at least a year.

98%

stay at least one year



On average, they choose to stay several years.

**4.84** years

is the average length of stay



Their income improves.

\$210

average increase in monthly income per participant, compared to move-in income



#### Many gain access to benefits.

(for example: SNAP, Medicaid, health insurance, disability)

89%

of our residents reported securing or maintaining mainstream benefits for which they are eligible



And some build on their strengths to the point that they can "move on."

58

successfully moved into permanent housing and live independently, including 24 through our Move On program in Hampton Roads\*

# VSH Communities





May 2022

Reclaiming Home

#### Five Takeaways

We need more safe, decent, accessible, and affordable housing.

We need to use data equitably & in partnership with people with lived experience to advance solutions that work.

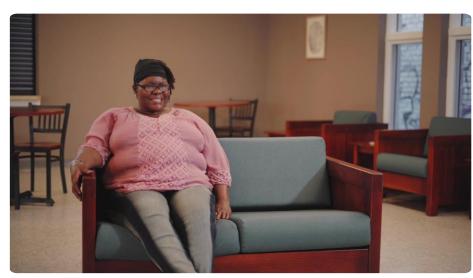
We need to break down silos between systems that make providing person-centered housing & services challenging.

We need to address barriers that further inequities such as stringent criminal background, credit, & rental history screenings.

We need more sustainable services funding and capacity.

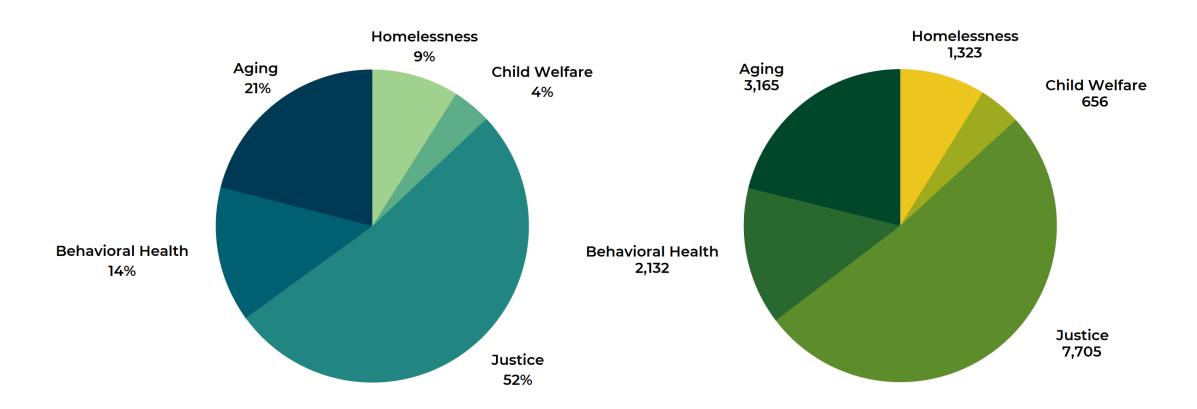






# Why Supportive Housing?

#### **Supportive Housing Need in Virginia By System**



**Total Need Across Systems: Nearly 15,000 Supportive Housing Opportunities** 

#### Recommendations

- 1) Strengthen the Workforce
- 2) Expand Supply
- 3) Promote Quality
- 4) Meet Unique Needs of Frequent Users of Crisis, Older Adults, & Families and Youth



May 2022





## Merged Organization, 2027

Founded 1988

Annual Budget \$20 M

Budget & Portfolio \$55 M

Staff 275

Properties 50 +

Units 3,250

Residents 5,500

Total Served 6,500

Localities Served 12

Annual Philanthropy \$5 M

May 2022

Reclaiming Home



#### Allison Bogdanovic

abogdanovic@virginiasupportivehousing.org

www.virginiasupportivehousing.org

## Overview of Virginia Housing for the Board of Housing and Community Development

May 9, 2022



### **Our Mission**

- The General Assembly established Virginia Housing in 1972 pursuant to Virginia Code Section 36-55.24 as a "political subdivision": an independent, self-supporting statewide housing finance authority serving "persons and families of low and moderate income."
- Virginia Housing's mission is to "help Virginians attain quality, affordable housing."
- Virginia Housing's primary role is mortgage lending—the Authority provides flexible, affordable home purchase loans to first-time homebuyers and mortgage loans to finance development of affordable rental housing. Currently, we are investing \$3 billion a year in affordable housing loans and grants.
- As a public-private partnership, Virginia Housing complements and supports the activities of the private housing industry.

# Governance and Operations

- Virginia Housing is an independent political subdivision, and works with the Governor's Office primarily through the Commerce & Trade Secretariat.
- An eleven-member Board appointed by the Governor on a rotating basis oversees Virginia Housing.
- Virginia Housing receives no state tax dollars for its operations; is not included in the Appropriation Act; and is fully self-supporting from the revenues generated by its programs.
- As a "political subdivision," Virginia Housing is not subject to many of the provisions that are state agency requirements.

## Public Benefits Offered by Virginia Housing

Virginia Housing assists the private housing industry, the state, and local governments in addressing important unmet housing needs at no cost to the Commonwealth.

Virginia Housing uses private lenders to originate home purchase loans, and carries out its programs in close partnership with the private real estate development and non-profit housing organizations.

Virginia Housing administers key federal governmental housing subsidies (e.g., low income housing tax credit program, housing choice voucher program, etc.) at no cost to the Commonwealth or its localities. These programs do not generate net revenues for VHDA.

Virginia Housing supported the Virginia Department of Housing and Community Development (DHCD) in administering Virginia's Rent Relief Program by creating and running the landlord portal for the program. Virginia Housing just launched the state-wide Virginia Mortgage Relief Program on 1/3/2022.

Virginia Housing uses approximately 70% of its net revenues to provide significant additional housing assistance through its REACH *Virginia* program.

Virginia Housing's lending activity provides stability to the housing sector and counter-cyclical stimulus during market downturns.

Virginia Housing is a major contributor to the Commonwealth's economy and economic development, e.g., Virginia Housing pledged revenues for housing in NOVA in support of Amazon HQ2.

## **Virginia Housing Overview**

- Virginia Housing's capital for loans is raised from private investors through the sale of taxexempt and taxable bonds and the securitization of loans through Ginnie Mae, Fannie Mae and Freddie Mac.
- Virginia Housing bonds are not tax-supported debt of the Commonwealth and are not included in the Commonwealth's debt capacity model. The Commonwealth has no obligation for Virginia Housing bonds, not even a "moral obligation".
- Virginia Housing is structured as an independent public authority in order to:
  - Be self-supporting; receiving no federal or state tax dollars to pay for its operations.
  - Exercise independent business judgment.
  - Respond promptly to changes in the capital markets and housing conditions.
  - Utilize a substantial portion of the federal tax-exempt revenue bond authority allocated annually to Virginia.
  - Insulate the Commonwealth from Virginia Housing's significant financial operations.

## **Core Programs**

**Home purchase programs**: Virginia Housing provides homebuyers (predominantly first-time homebuyers) with competitive, flexible home financing. Loans are originated by private lending partners and serviced by Virginia Housing. Virginia Housing is committed to sustainable homeownership and financial literacy—all borrowers are required to participate in free classroom or on-line homebuyer education classes. Virginia Housing also offers down-payment assistance grants, as well as a Mortgage Credit Certificates, which can effectively lower the interest rate of a mortgage loan by 0.375%.

**Rental housing programs**: Virginia Housing provides for-profit and non-profit developers and public housing authorities with affordable, flexible financing for the development or rehabilitation of affordable rental housing. A key distinction from other lenders is that Virginia Housing loans are non-recourse (i.e., developer not personally liable on the loan). Also, Virginia Housing provides in-house servicing and strong rental asset management to support the long-term quality of the rental housing financed by Virginia Housing.

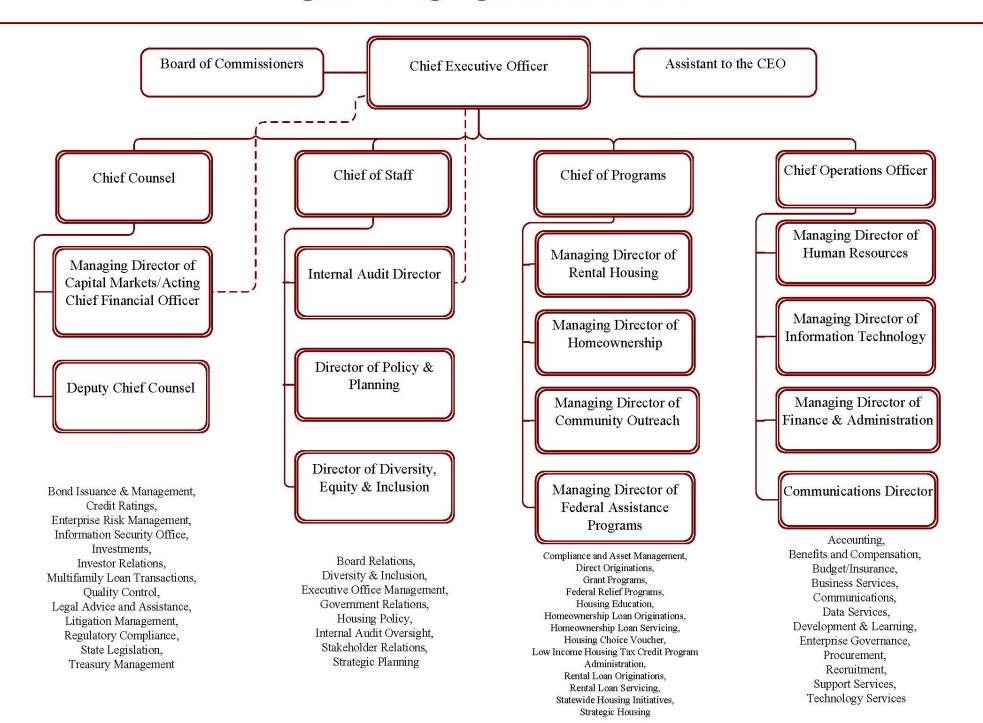
Housing services: Virginia Housing makes use of its lending expertise and business and government relationships to administer key federal subsidies such as: federal Low-Income Housing Tax Credit (LIHTC) program; federal project-based Section 8 rent subsidies for developments Virginia Housing has financed; and the federal Housing Choice Voucher (HCV) rental assistance on behalf of localities that are unable or choose not to directly administer the program with HUD which represents 20% of HCV subsidies in Virginia. In addition, Virginia Housing developed and managed the landlord portal of Rent Relief Program and administers the Mortgage Relief Program; provides pro-bono loan underwriting and servicing assistance for DHCD loan programs, as well as pro-bono servicing for many Habitat for Humanity chapters in Virginia.

**Community Outreach**: Virginia Housing provides support to the Housing Network in Virginia through predevelopment loans and grants for capacity building and other services. Staff provides significant expertise and training to partner organizations

## **REACH** *Virginia* Program

- Virginia Housing dedicates 60% of its net revenues to provide loan subsidies and grants to enable programs to address Virginia's key housing needs. REACH Virginia subsidies support rental, homeownership, and community development programs. In addition, Virginia Housing has allocated additional REACH Virginia subsidies in the amount of \$15 million a year for 5 years above and beyond the 60% of net revenues as part of the Commonwealth's incentive package used to attract Amazon HQ2. Thus, the current level of funding for REACH Virginia is approximately 70% of net revenues.
- From FY 2006 through FY 2022, Virginia Housing will have allocated nearly \$728 million to the REACH Virginia initiative. The FY 2022 REACH Virginia contribution will be \$90 million. The FY 2021 REACH Virginia contribution is \$97 million.
- Examples of the use of these funds include: down-payment assistance grants for first-time homebuyers; reduced interest rates on the financing of rental developments to provide affordable housing to rent-burdened families and special needs populations; free homeownership purchase and post-purchase education; free rental education; and grants to local governments and non-profits for community revitalization and capacity building.

#### Virginia Housing Organizational Structure



## Strategic Plan: Opportunity 2025

#### Our priorities through 2025:

#### Strategic Goal 1: Address state housing needs by partnering with the Housing Delivery Network

- Strategy 1 Preserve and Strengthen the Housing Delivery Network
- Strategy 2 Support State Housing Initiatives

#### Strategic Goal 2: Address the unmet rental needs of low-income and critical needs populations

- Strategy 1 Provide Capital and Technical Assistance for Affordable Rental Housing Development
- Strategy 2 Promote Mixed Income Development and the Expansion of Affordable Housing in Areas of Opportunity

#### Strategic Goal 3: Strengthen homeownership for first-time homebuyers in Virginia

- Strategy 1 Develop Targeted Outreach and Lending Initiatives to Lessen Disparities in Access to Homeownership
- Strategy 2 Foster successful homeownership

## Strategic Goal 4: Deliver superior, long-term financial operational performance to strengthen achievement of mission

- Strategy 1 Provide Financial Strength to Achieve Critical Goals and Sustain Long-term Viability
- Strategy 2 Drive for Operational Excellence in Diversity, Equity and Inclusion (DEI), Enterprisewide Governance and IT Systems

## Issues

- HB854 (2020) Housing Study
- JLARC Affordable Housing Study
- Virginia Mortgage Relief Program
- Shortage of Affordable Homes/Innovation
- Housing Tax Credits (federal, state)
- Link to Economic Development

Virginia Housing 10

## Conclusion

A research study by four Virginia universities shows how effective we have been in meeting Virginia's housing needs, as well as our impact on the state's economy. Over a five-year span, the report shows we helped more than 70,000 households access affordable housing, generated nearly \$10 billion in state economic activity, and created 65,900 jobs with salaries and benefits totaling more than \$3.5 billion.

> Questions?



## Division of Building and Fire Regulations



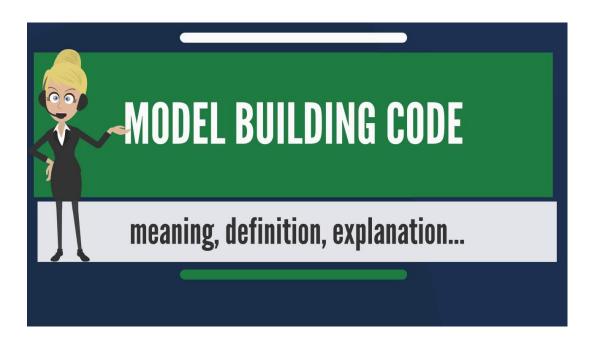






#### What is a model code?

Codes that are developed and maintained by a national or international organization, for adoption by local jurisdictions.





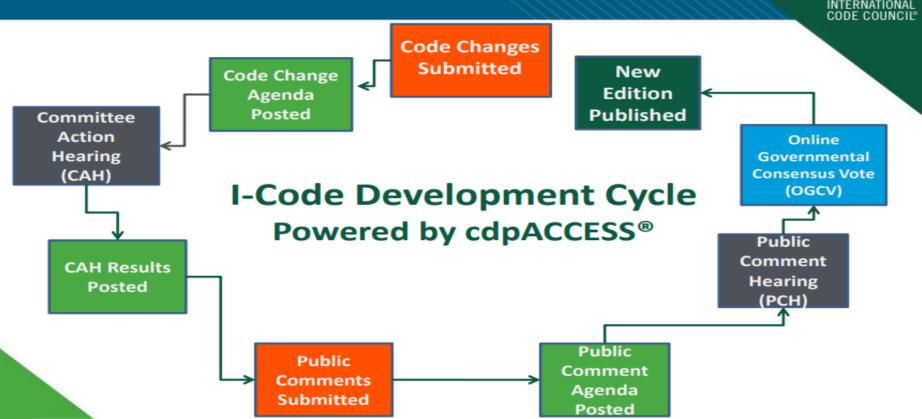
#### **History of Model Codes**













#### **I-Codes**



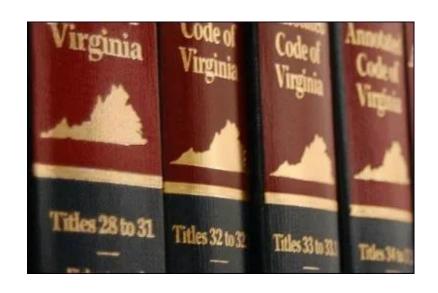






#### **Administrative Process Act**

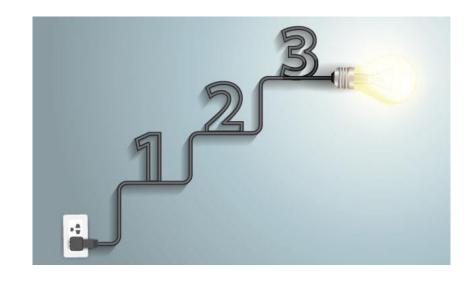
- Virginia law governing development of all regulations
- Regulations are part of the Virginia
   Administrative Code (VAC)
- The four primary building safety regulations are exempt from the APA





#### **Three Stage Regulatory Process**

- Notice of Intended Regulatory Action (NOIRA)
- Proposed Phase
- Final Phase



#### NOIRA (Step 1)





- New edition of I-Codes become available
- DHCD staff develops the "Base Documents"
- Notice of Intended Regulatory Action (NOIRA)
  - Followed by 30-day public comment period





## Proposed Phase (Step 2) \*The 2021 Code Cycle is in this phase\*

 BHCD conducts public hearings prior to developing proposed regulations

 Proposals are submitted through cdpVA and vetted through workgroups



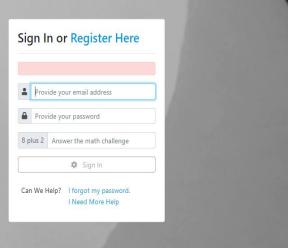
Effective October 1, 2021, cdpVA is officially open for submission of code change proposals for the 2021 Code Development Cycle - Read More

×

## Virginia's Online Code Development Process

The cdpVA® system is Virginia's new online Code Development Process. cdpVA® allows you to create code change proposals, submit public comments and access any information about the Virginia Code Change Process. Virginia is a leader in building and fire code regulations, and stakeholder input is vital to Virginia's code development process. We encourage participation in this process through cdpVA®, and ask that you invite colleagues and peers with an interest in the Virginia Code Change Process to participate.

CLICK HERE TO REGISTER →



#### **HOW IT WORKS**

#### Meeting Information

Information regarding workgroup meetings, including date, time, location and agendas, will be available through cdpVA®.

All information is listed under each workgroup, so be sure to follow the workgroups that you are most interested in, and plan to attend meetings throughout the Code Change Process.

#### Online Code Access

In  $cdpVA^{\otimes}$ , you will be able to access both the current Virginia Building Codes, as well as the International Codes.

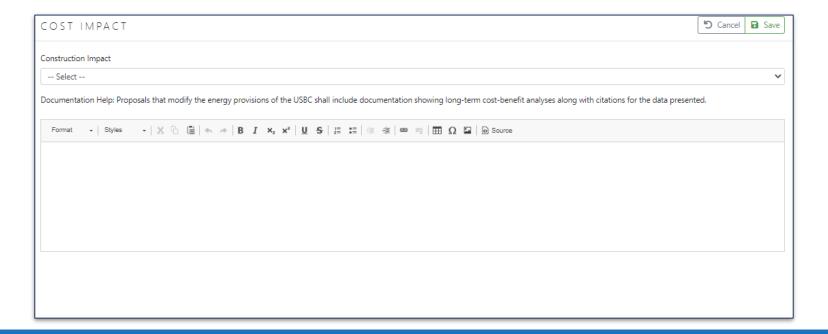
Having both sets of online codes offers the ability to create a proposal by modifying existing state (804) 371-7150 amendments to the International Codes or to change the text of the International Codes.

#### Need Assistance?

For information about the Virginia Code Change Process, contact:
Virginia Department of Housing and Community Development (DHCD)
(804) 371-7150



#### cdpVA: HB2227 (2021 GA Session)







## **Proposed Phase: Study Groups**

2021 Code Development Cycle "Study Groups":

- In-Building Emergency Communications
- Townhouse Sprinklers
- Active Shooter Barricades in Public Buildings





## Proposed Phase: Sub-Workgroups

2021 Code Development Cycle "Sub-Workgroups":

- Energy
- Resiliency
- Statewide Fire Prevention Code (SFPC)





#### Proposed Phase: General Stakeholder Workgroups

- General Stakeholder Workgroup meetings are open to anyone interested in participating
- Every proposal is reviewed by the General Stakeholder Workgroup
- A workgroup "recommendation" is determined for each proposal
  - Consensus for Approval
  - Consensus for Disapproval
  - Non-Consensus





#### **Proposed Phase cont.**



- DHCD staff compiles code change proposals and public comments
- Codes and Standards Committee and Statewide Fire
   Prevention Code Development Committee review base
   documents and all proposals from proposed phase
- DHCD staff drafts "Proposed Regulations"



#### **Proposed Phase cont.**

- BHCD approves "Proposed Regulations"
- Statutory authority letter obtained form Office of Attorney General
- Proposed Regulations are published in the Virginia Register
- 60-day public comment period on Proposed Regulations
- 2<sup>nd</sup> Public Hearing during 60 day comment period







#### Final Phase (Step 3)



- DHCD staff compiles all comments, corrections, and any code change proposals
- Codes and Standards Committee and Statewide Fire
   Prevention Code Development Committee review any
   proposed changes or corrections to the proposed regulations
- DHCD staff drafts "Final Regulations"



#### Final Phase cont.

- Codes and Standards Committee and Statewide Fire Prevention Code Development Committee review Final Regulations
- Joint meeting of BHCD and FSB to review final SFPC Regulation
- BHCD approves "Final Regulations"





#### **Final Phase cont.**

- Statutory authority letter obtained form Office of Attorney General
- Approval obtained from Governor's Office
- Final Regulations are published in the Virginia Register
- Final Regulations become effective







# **Virginia Uniform Statewide Building Code (USBC)**

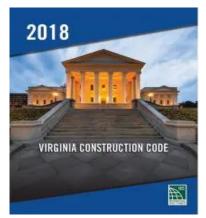




# Virginia Uniform Statewide Building Code (USBC)

Part I

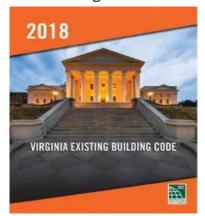
Virginia
Construction Code



**New Construction** 

Part II

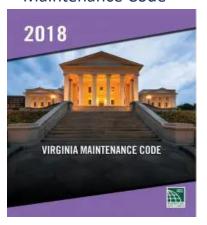
Virginia Existing Building Code



Rehabilitation

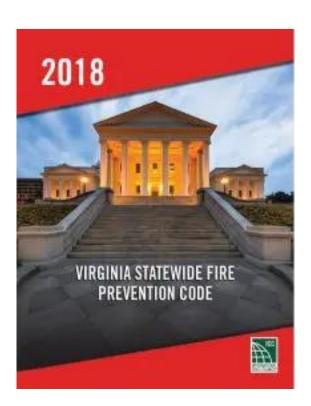
Part III

Virginia Maintenance Code



Maintenance





# **Virginia Statewide Fire Prevention Code (SFPC)**











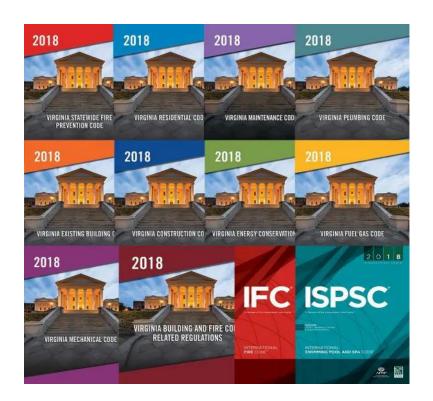
# **Virginia Statewide Fire Prevention Code (SFPC)**

- Maintenance
- Operations
- Special Hazards
- Fire Safety Features
  - Fire Lanes
  - Fire Hydrants

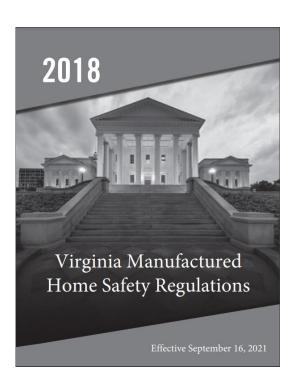
# **Custom Virginia Code Books**





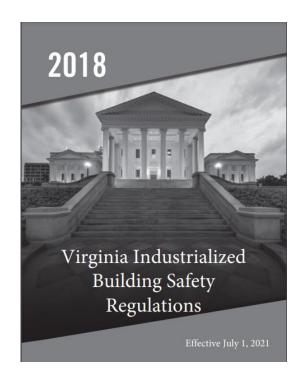






# Manufactured Home Safety Regulations (MHSR)



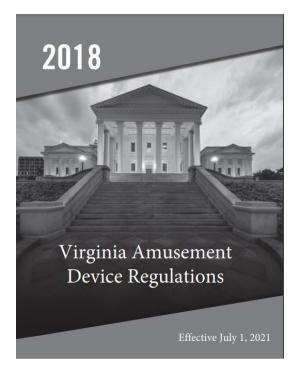


# **Industrialized Building Safety Regulations (IBSR)**









# Virginia Amusement Device Regulations (VADR)









# **Appeals Process**

COURT OF APPEALS

**CIRCUIT COURT** 

**TECHNICAL REVIEW BOARD (TRB)** 

LOCAL BUILDING (LBBCA) OR FIRE CODE (LBFCA) BOARD OF APPEALS

LOCAL CODE OFFICIAL





# **Local Board of Building Code Appeals (LBBCA)**

- The Code of Virginia requires local governments to enforce the VUSBC, some may enforce the VSFPC and the VMC.
- The Code allows parties to appeal enforcement decisions to the local appeals board which rule whether to uphold, reverse or modify the local code official's decision.
- LBBCAs are established at the local government level
- An appeal to the LBBCA is the necessary first step in the overall appeals process.



# **State Building Code Technical Review Board (TRB)**

- 14 member governor appointed board
- Hear appeals from enforcement actions (USBC, SFPC, IBSR & VADR)
- An appeal to the SBCTRB must have been heard by the local appeals board first (except SFMO)
- The TRB, at the request of a code official, will provide formal interpretations of the building and fire codes



# Jack A. Proctor Virginia Building Code Academy (VBCA)





#### **VBCA** mission:

- Provide required education and training to earn and maintain state mandated certifications
- Issue and manage certifications
- Recruit, train, and retain instructors
- Maintain records of code official certifications and training
- Support code community through transfer of knowledge and skills



## The purpose of our programs is to:

- Transfer technical and soft skills critical to code enforcement
- Communicate Virginia's interpretation of codes, promoting uniform enforcement
- Instill Virginia's approach to enforcement, in new personnel (aka the Virginia Way)



# The primary audience is employees of localities who enforce the USBC

- Permit Technicians
- Plans Reviewers
- Inspectors
- Building, Fire, or Property Maintenance Officials

#### As well as

- members of 3<sup>rd</sup> party or private organizations
- Interested parties





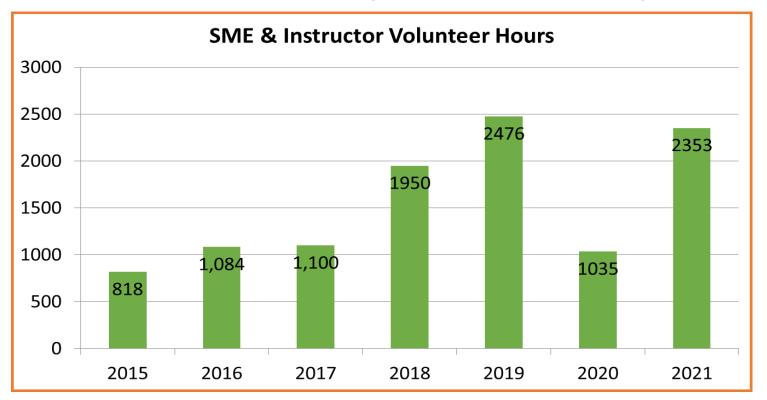
# Funding through a 2% levy on all building permits

- Fully funds all training and certification programs
  - Training development and implementation
  - Training logistics
  - Certification management
  - Instructor and supply costs
- Localities approved to operate local code academies
  - Fairfax County and Prince William County
  - deliver or host VBCA programs





# **Volunteers commit many hours to Academy's success**





# Certifications each with unique exam & training requirements

Building Official	Fire Official	Property Maintenance Official	Permit Technician	Residential Building Inspector	Residential Electrical Inspector
Residential	Residential	Residential	Commercial	Commercial	Commercial
Mechanical	Plumbing	Energy	Building	Electrical	Mechanical
Inspector	Inspector	Inspector*	Inspector	Inspector	Inspector
Commercial	Commercial	Combination	Combination	Fire	Fire
Plumbing	Energy	Residential	Commercial	Prevention	Protection
Inspector	Inspector*	Inspector	Inspector	Inspector	Inspector
Property Maintenance Inspector	Elevator Inspector	Amusement Device Inspector	Residential Building Plans Examiner	Residential Energy Plans Examiner*	Commercial Building Plans Examiner
Commercial	Combination Building Plans Examiner	Electrical	Mechanical	Plumbing	Fire Protect-
Energy Plans		Plans	Plans	Plans	ion Plans
Examiner		Examiner	Examiner	Examiner	Examiner



# **Locality Official Certifications**



- Building Official
- Fire Official
- Property Maintenance Official

# Residential Inspector Certifications

Residential Building Inspector Residential Electrical Inspector Residential Plumbing Inspector Residential Mechanical Inspector Residential Energy Inspector Combination Residential Inspector





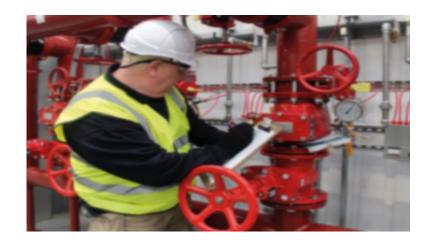
# **Commercial Inspector Certifications**



- Commercial Building Inspector
- Commercial Electrical Inspector
- Commercial Plumbing Inspector
- Commercial Mechanical Inspector
- Commercial Energy Inspector
- Combination Commercial Inspector



# Fire Inspector Certifications



- Fire Prevention Inspector
- Fire Protection Inspector



# Other Inspector Certifications

- Amusement Device Inspector
- Elevator Inspector
- Property Maintenance Inspector
- Permit Technician













#### **Residential Plans Examiner**

- Residential Building Plans Examiner
- Residential Energy Plans Examiner

#### **Commercial Plans Examiner**

- Commercial Building Plans Examiner
- Commercial Energy Plans Examiner





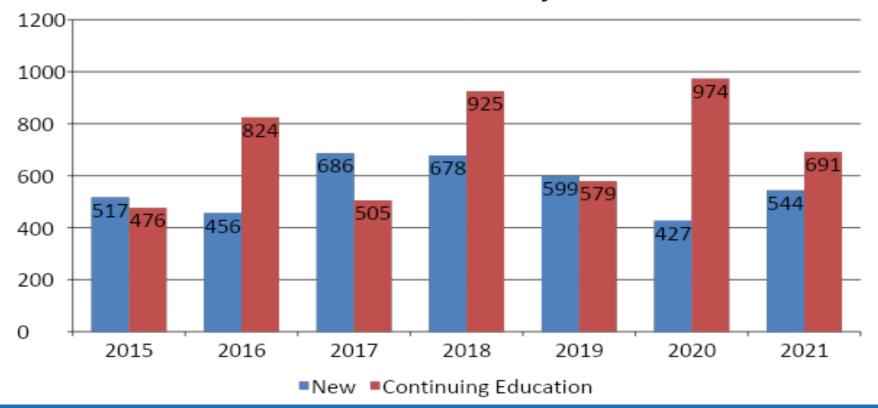
#### Trades and Other Plans Examiner Certifications

- Electrical Plans Examiner
- Plumbing Plans Examiner
- Mechanical Plans Examiner
- Fire Protection Plans Examiner





## **Certifications Issued Annually**







## **VBCA Training Program**

- Technical and non-technical mandated
- Continuing education
- Triennial code change training





# **Delivery**

Multi-day

Single day

Live online webinar

On-demand online learning

In-person classroom

Virtual classroom





#### **Mandated certification courses**

- Live in-person and virtual classroom
- Foundational, administrative, technical, and soft skill
- Offered at least 3 times per year
  - Additional Core courses as needed, up to 6 a year
- Mostly volunteer instructors, with many years of experience in field

## **Certification Training Programs**

Core Module (Everyone)

Advanced
Official Module

Mechanical Inspection

Electrical Inspection

Plumbing Inspection

Residential Building Inspection Commercial
Building
Inspection

Property Maintenance Inspection

Amusement Device Inspection

Structural Plan Review Non-structural Plan Review

Residential Plan Review

Fire Protection
Systems
Inspection

Permit Technician Energy Code Residential Structures Energy Code Commercial Structures





# Required Continuing Education for all Certificate Holders

- Activities relevant to building, code, enforcement, or development
- Ensures officials keep up with code and industry trends
- 16 hours
- Submittals due May 1
- CEs earned within the 2-year period



# **VBCA Continuing Education offerings**

- Offered four times per year minimum
- Topics selected based on need or request
- 16 CE hours required every 2 years to maintain certification





# **Mandated Code Change Training**

- Training provided with code adoption cycle
- Code Change Training modules
  - In-person classroom
  - Virtual classroom
  - Self-paced modules
  - Comprehensive student guide resource
- Mandated certification courses updated by code effective date
  - Presentations and student guides
  - Retraining instructors





## We approach training with continual improvement

- Former delivery style
  - O Classroom style seating, instruction
  - Students listen to lecture
  - O Learn by hearing
- "Modern" delivery style
  - O Team activity and discussion-focused instruction
  - Students complete activities under guidance of facilitators
  - Control Learn by doing



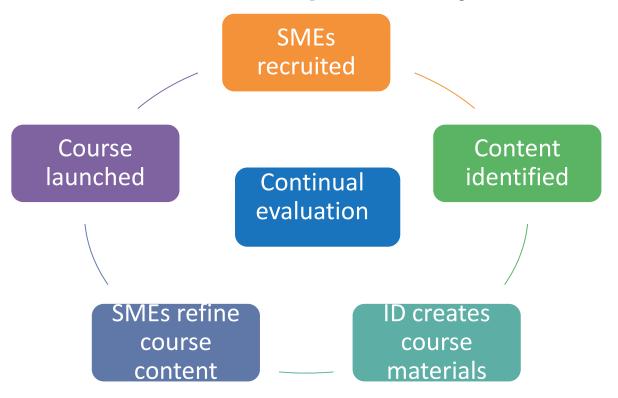
# **VBCA** offers other special programs

- Train the Trainer
- Ongoing Instructor Development
- Amusement Device Inspector Mentorship





# Course development is cyclical







# **Instructor Professional Development**

- Regular evaluations conducted by staff,
- Follow-up coaching, based on competency model
- Instructor refresher events held at least every other year
  - Full day of training for trainers
  - O Appreciation luncheon with awards



# Professionalism and Ethics



Adult Learning



Public Speaking



Training Delivery



**Group Facilitation** 



Team Teaching



**Content Knowledge** 





## **Train the Trainer Class of 2017**





# VBCA classifies 3 levels of instructor based on ability and activity

Instructor	Advanced Instructor	Lead Instructor
<ul> <li>Completed Train the Trainer</li> <li>Certified in class discipline</li> <li>Instructs at least 1 course per year</li> </ul>	<ul> <li>Instructor items plus:</li> <li>Active in code development process</li> <li>Participates in course development</li> <li>Able to lead a majority of class taught</li> </ul>	<ul> <li>All previous items, plus:</li> <li>Teach 2 or more classes per year</li> <li>Able to lead the complete course taught</li> <li>Provides formal mentorship to apprentices</li> </ul>





# Initiatives to support code community

- Building Safety Month May
  - Campaign Contest
  - Essay Contest
  - Marketing
- Conference Partnership
- Client Group Support





# Certification management

- New certifications
- Continuing education

### Training management

- Design and development
- Operation and delivery
- 3 simultaneous training lanes technical; continuing education; code change

# Community support initiatives

- Client group support
- Conference support
- Building Safety Month promotion



# **THANK YOU**



#### **Contact Us**

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www.dhcd.virginia.gov