

 PHARVA.com

# PDC Housing Program

12-9-21



# Program Overview

- \$40 million provided to PDC's statewide
- Richmond qualified for \$3 million
- Promote regional strategies for housing development



# Program Overview

## Increase Production of Affordable Housing

- Construction of new affordable units
- Acquisition and rehabilitation of existing vacant units
- Adaptive re-use of existing structures to incorporate housing units
- At least 30 new units



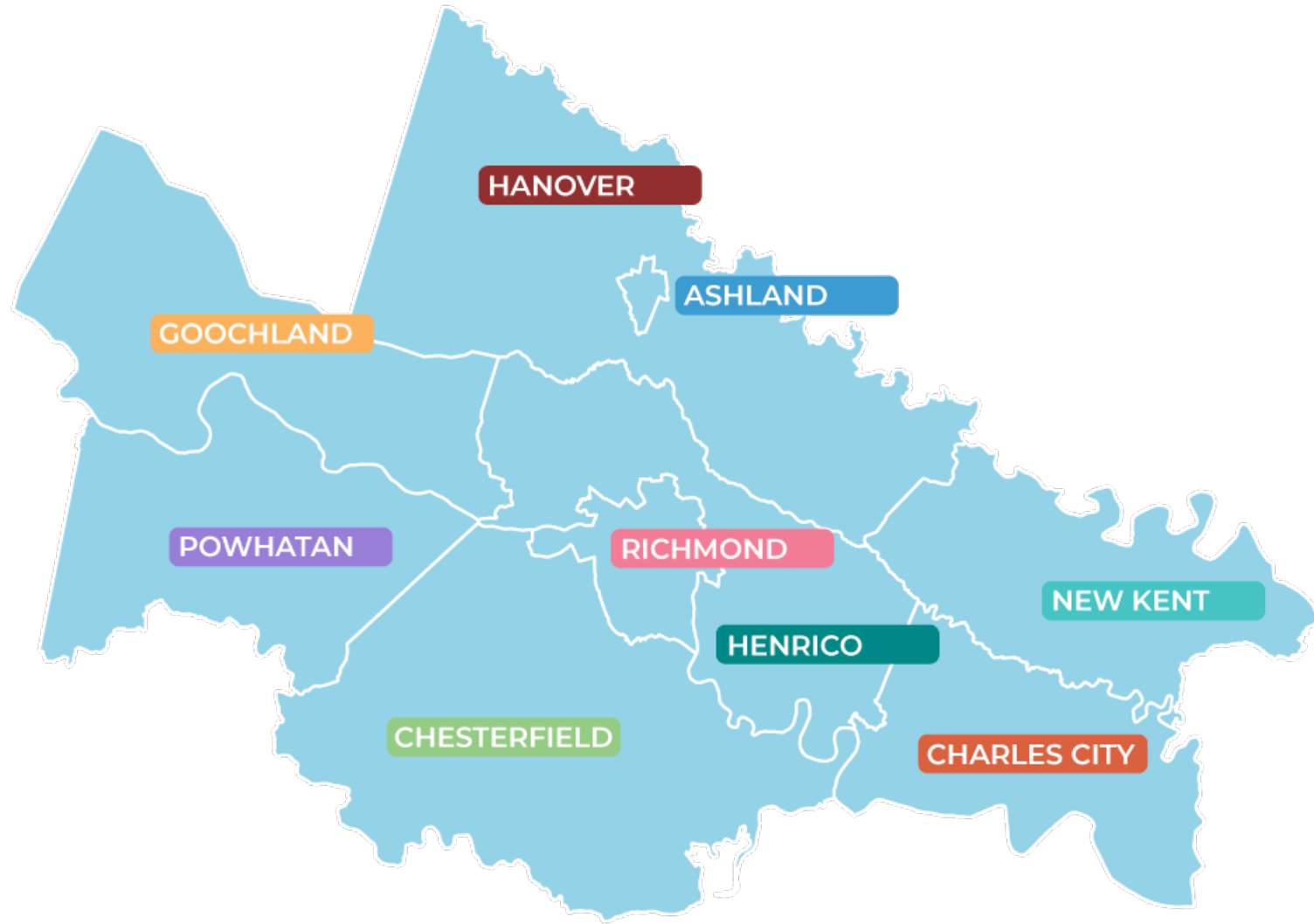
# Program Overview

## Focus Areas

- Underserved markets
- Rural and historically marginalized areas
- First time homebuyers



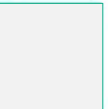
# Program Footprint



# Program Overview

## Timeline

- All projects must be completed by July 1, 2024
- Units must be habitable by July 1, 2024
- VH will conduct on-site inspections to verify compliance with program



# Eligible Expenses

- Project Specific Marketing (advertising to increase project awareness)
- Consultant Fees (facilitation services, proposal development, etc.)
- Contractor Fees (includes construction costs)
- Soft Costs (permitting fees, utility connections, final design, inspection fees, and capitalization fees).
- Equipment (tangible per person property with acquisition costs of \$5,000 or greater)

# Project Funding

## Funding Pools

- **Small jurisdiction pool includes: \$700,000**
  1. **Hanover County**
  2. **Town of Ashland**
  3. **Powhatan County**
  4. **Goochland County**
  5. **Charles City County**
  6. **New Kent County**



# Project Funding

## Funding Pools

- **Large jurisdiction pool includes: \$2 million**
  1. **Chesterfield County**
  2. **Henrico County**
  3. **City of Richmond**

# Project Funding

## Funding Requests - Multifamily

- **Maximum project award = \$500,000**
- **Minimum project award = \$40,000**

# Project Funding

## Funding Requests – Single Family

- **\$50,000 per unit up to \$500,000.**

# Selection Process

## Priority Criteria

- **Project feasibility (shovel-ready, local support, etc.)**
- **Funding need**
- **Equity**
- **Innovation**
- **Quality**

# Application and Award Timeline

## Application

Applications were submitted between 10/19 – 11/2



## Review

The review panel met on 11/16 to deliberate allocations

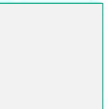


## Award

PHA Board approved recommended projects on 12/2

# Small Pool Awardees

Project Title	Organization	# of Units	Funding Allocated
16 Old Tavern Rd	Habitat for Humanity Powhatan	1	\$50,000
Ashland New Construction	Hanover & King William Habitat for Humanity	1	\$50,000
Hanover New Construction	Hanover & King William Habitat for Humanity	1	\$50,000
Goochland Twin Houses	Habitat for Humanity Goochland	2	\$200,000
ADU Pilot	Habitat for Humanity Powhatan	1	\$50,000

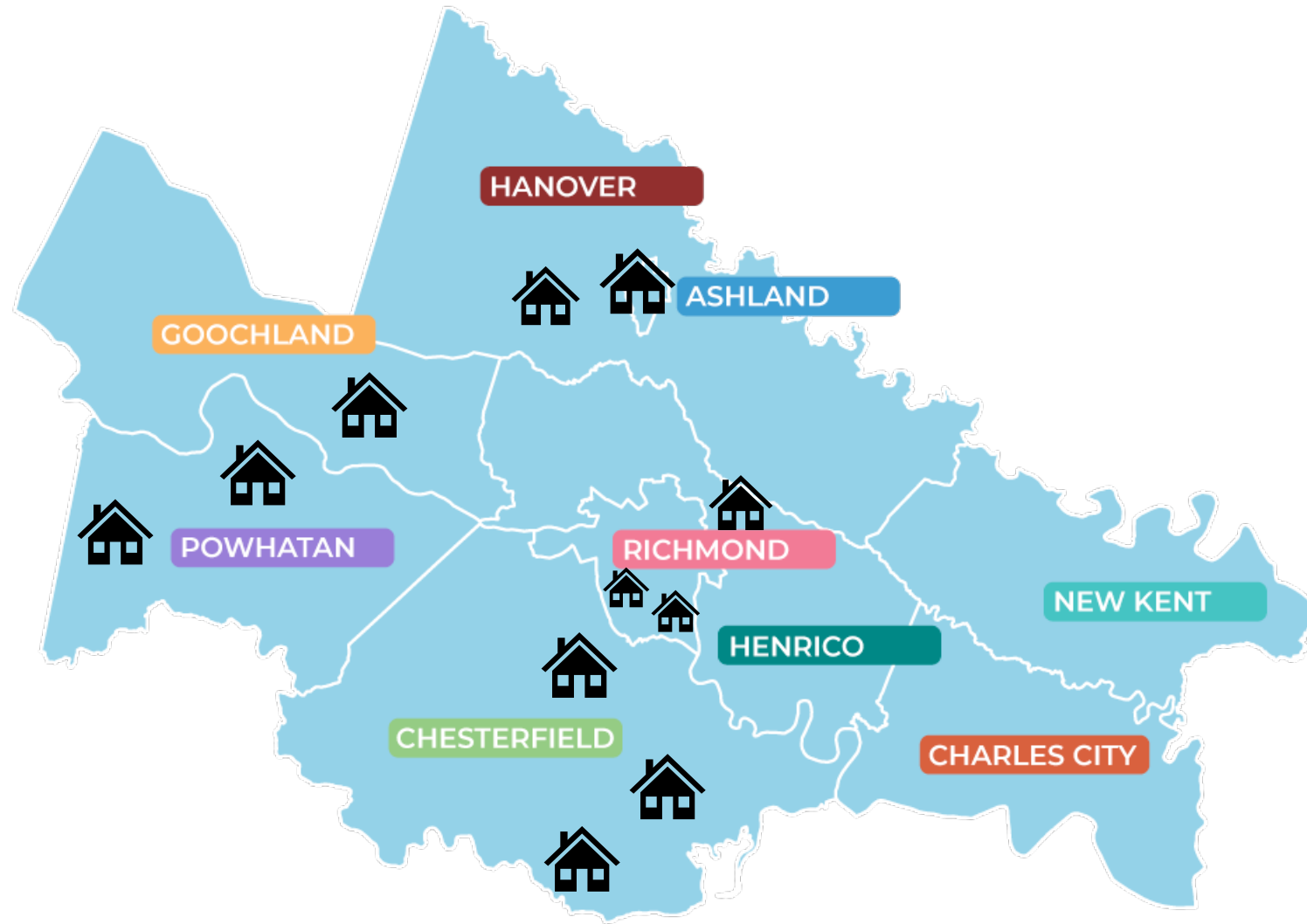


# Large Pool Awardees

Project Title	Organization	# of Units	Funding Allocated
Cool Lane Apartments	Virginia Supportive Housing	86	\$466,872
Church Hill Partnership	project:HOMES	6	\$300,000
Colbrook Motel	Better Housing Coalition	147	\$400,000
Ettrick Landing	Maggie Walker Community Land Trust	10	\$400,000
Expanding Homeownership in Chesterfield	Richmond Metropolitan Habitat for Humanity	2	\$83,128
Expanding Homeownership in Richmond	Richmond Metropolitan Habitat for Humanity	7	\$350,000



# PDC Awards – 264 Units





# Timeline & Next Steps

## Project Plans

PHA will meet with all recipients in January to discuss development plans



## Project Claims

PHA will work with projects to prepare claims for 1<sup>st</sup> quarter reimbursements



## Spring Allocation

Approx. \$250K has been reserved for a spring allocation

# State of Housing in the Richmond Region

Save the Date!

- **January 20<sup>th</sup> at 4pm – cocktail reception to follow**
- **The Westin Richmond**
- **Update on housing progress and real estate market**
- **Public announcement of program awardees and visual renderings**
- **2022 outlook**



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# Thank You

 Jovan Burton

 804.422.5057

 [jburton@pharva.com](mailto:jburton@pharva.com)

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# Program Restrictions (Cont.)

- Land banking is NOT permitted.
- Funds cannot be used for the creation of a land trust.
- Projects with Virginia Housing loans **are allowed** if the deal has not yet closed and needs to fill a gap.
- PDC grant funds cannot be used to cover VH loan application fees or owner equity requirements for loan qualification.

# Program Restrictions

- All units must be at or below 80% AMI
- Units must remain affordable to households whose incomes do not exceed 80% AMI
- Mixed use developments must designate 60% of sq. footage to housing
- Applicants with existing/previous VH grants must not have ANY outstanding compliance issues resulting in funds withheld within the past 12 months

# Program Restrictions (Cont.)

- Market analysis is not covered under this funding opportunity.
- Projects must be in predevelopment phase by September 2022.
- Grants will be terminated for projects not in predevelopment phase by July 2023.
- Funds may not be used to pay for activities currently funded by another funding source.
- One time 12-month extension during the development phase will be allowed.

# Program Restrictions

Homeownership units must adhere to VH sales price and income limits

Area	Maximum Gross Household Income				Sales Price/Loan Limits
	2 or Fewer People		3 or More People		
	Standard	With Virginia Housing DPA or CCA Grant	Standard	With Virginia Housing DPA or CCA Grant	New & Existing Construction
Washington-Arlington-Alexandria	\$145,000	\$116,000	\$170,000	\$136,000	\$550,000
Charlottesville	\$90,000	\$72,000	\$105,000	\$84,000	\$375,000
Richmond	\$98,400	\$78,700	\$114,900	\$91,900	\$425,000
Norfolk-VA Beach-Newport News	\$90,400	\$72,300	\$105,400	\$84,300	\$390,000
Culpeper-Rappahannock-Warren	\$92,300	\$73,800	\$107,700	\$86,100	\$450,000
King George	\$92,600	\$74,000	\$106,900	\$85,500	\$300,000
All Other Areas of Virginia	\$88,300	\$70,600	\$101,600	\$81,200	\$295,000

# Eligible Expenses (Cont.)

- Acquisition requests are permitted but must be accompanied with the following:
  1. Detailed development plan
  2. Clean title as determined by Virginia Housing
  3. Appraisal
  4. Environmental study
  5. Proof of line of credit secured by applicant or partnering organization



# Eligible Expenses (Cont.)

- Capitalization fees requests must be accompanied by the following:
  1. Detailed development plan
- Funds can be used to reduce deferred developer fee or to take out a sponsor loan **ONLY IF:**
  1. The project is unbuilt
  2. The project has not yet closed its financing