

Glenn Youngkin Governor

Caren Merrick Secretary of Commerce and Trade

## COMMONWEALTH of VIRGINIA

Bryan W. Horn Director

# DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

January 19, 2024

#### **MEMORANDUM**

**TO**: Board of Housing and Community Development Members

**FROM**: Chase Sawyer

**SUBJECT**: Board of Housing and Community Development Meeting – January 26, 2024

Enclosed is the agenda and information package for the Board of Housing and Community Development meeting to be held on Friday, January 26, 2024. The full Board will convene at 11:00 a.m. to hear public comment and receive an update on Private Activity Bonds. The Private Activity Bond update will be followed by the Codes and Standards Committee. Upon conclusion of the Codes and Standards Committee, the full Board will reconvene for the remainder of the regular meeting.

The Board meeting will be held at the Virginia Housing Center located in Innsbrook at 4224 Cox Road in Glen Allen, Virginia. Lunch will be provided during the meeting.

Please contact me as soon as possible to let me know whether you will or will not be able to attend. I can be reached at <a href="mailto:chase.sawyer@dhcd.virginia.gov">chase.sawyer@dhcd.virginia.gov</a> or at 804-310-5872. Please let me know if you have any questions or if there is anything I can do to be of assistance.

Enclosure





#### **AGENDA**

#### **BOARD OF HOUSING and COMMUNITY DEVELOPMENT**

Friday, January 26, 2024 Virginia Housing Center 4224 Cox Road, Glen Allen, VA

Public Comment before the Board will begin at 11:00 a.m.

In addition to in-person public comment, there will be a virtual public comment option. Each speaker will be limited to <u>one</u> minute of speaking time and there will be <u>one half-hour</u> total for public comment on a first come first served basis.

Please contact <u>chase.sawyer@dhcd.virginia.gov</u> to sign up for public comment.

#### **Electronic Meeting Access Information**

Microsoft Teams Joining Information: <u>Click here to join the meeting</u> Call in (audio only) +1 434-230-0065 | Phone Conference ID: 471 539 115#

I. OPENING

a. Call to Order
b. Roll Call
c. Public Comment
DHCD Staff
Chairman

II. CONSENT AGENDA

Chairman

o Approval of Minutes: December 11, 2023

III. PRIVATE ACTIVITY BOND UPDATE

**DHCD Staff** 

[Adjourn and Reconvene Following Codes and Standards Committee]

## IV. REPORT OF THE CODES AND STANDARDS COMMITTEE

**DHCD Staff** 

#### Action Items:

- Notice of Intended Regulatory Action (NOIRA)
  - Uniform Statewide Building Code (USBC)
  - Statewide Fire Prevention Code (SFPC)
  - Industrialized Building Safety Regulations (IBSR)
  - Virginia Amusement Device Regulations (VADR)
  - Manufactured Home Safety Regulations (MHSR)
  - Virginia Certification Standards (VCS)
  - Standards Governing Operation of Individual and Regional Code Academies (VSIRCA)

#### V. REPORTS AND INFORMATION

a.	Virginia Housing Report	Janet Wiglesworth
b.	Report of the Virginia Fire Services Board	J.M. Snell
c.	Report of the Director	Bryan Horn

VI. Board members UNFINISHED BUSINESS VII. **NEW BUSINESS** Board members Board members VIII. BOARD MATTERS o COIA Filing IX. FUTURE BOARD MEETING DATES Bryan Horn o March 11, 2024 X. ADJOURNMENT Chairman

### **AGENDA**

#### **BOARD OF HOUSING and COMMUNITY DEVELOPMENT**

Codes and Standards Committee Friday, January 26, 2024 Virginia Housing Center 4224 Cox Road, Glen Allen, VA

## To begin at the conclusion of the Private Activity Bond Update agenda item of the full Board of Housing and Community Development

Electronic Meeting Access: <u>Click here to join the meeting</u>
Call in (audio only) +1 434-230-0065 | Phone Conference ID: 471 539 115#

I. OPENING

a. Call to Orderb. Roll CallChairmanDHCD Staff

II. CONSENT AGENDA Chairman

Approval of Minutes: August 28, 2023

III. NOTICE OF INTENDED REGULATORY ACTION DHCD Staff *Action Items*:

- Uniform Statewide Building Code (USBC)
- o Statewide Fire Prevention Code (SFPC)
- o Industrialized Building Safety Regulations (IBSR)
- Virginia Amusement Device Regulations (VADR)
- Manufactured Home Safety Regulations (MHSR)
- Virginia Certification Standards (VCS)
- Standards Governing Operation of Individual and Regional Code Academies (VSIRCA)

VII. OTHER BUSINESS Committee Members

VIII. ADJOURNMENT Committee Chair

#### BOARD OF HOUSING AND COMMUNITY DEVELOPMENT

### December 11, 2023 10:00 A.M.

#### **All Virtual Meeting Via Microsoft Teams**

Members Present
Louie Berbert
Claudia Cotton
Susan Dewey
Sean Farrell
Sylvia Hallock
Abigail Johnson
Keith Johnson
Roger Jones
J.M. Snell
Scott Stosser

Members Absent Lynne Goldberg Richard Gregory Larry Murphy Mark Trostle

Call to Order

Mr. Louie Berbert, Chairman of the Board of Housing and Community Development, called the meeting of the Board to order at 10:00 am.

Roll Call

The roll was called by Mr. Chase Sawyer of the Department of Housing and Community Development Policy Office. Mr. Sawyer reported that a quorum was present.

**Public Comment** 

Mr. Berbert opened the floor for comment.

No public comments were made, and Mr. Berbert closed public comment.

Approval of Minutes

A motion was made and properly seconded to approve the minutes of the October 16, 2023, meeting of the Board; the motion passed on a voice vote.

Enterprise Zone Grant Program Proposed Regulatory Action Mr. Sawyer presented proposed regulatory activity related to the Enterprise Zone Grant Program (13VAC5-113). The proposed action would increase the threshold for which a Job Creation Grant applicant is required to have a CPA attestation with their grant application. Current regulations require CPA attestation for applicants creating more than 25 jobs. The proposed change would increase the threshold to 40 jobs, reducing the regulatory burden for smaller businesses. This proposal is part of the regulatory reduction efforts in line with Governor Youngkin's Executive Order 19. A motion was properly made and seconded to approve

Board of Housing and Community Development Meeting Minutes December 11, 2023 Page 2

the proposed amendment to 13VAC5-112-290 of the Virginia Administrative Code. The motion passed on a voice vote.

Private Activity Bond Update

Mr. Sawyer provided an update on Private Activity Bonds (PABs). He noted the 2024 program year will start in January, and the program guidelines remain unchanged from the 2023 program year. He also noted the PAB program guidelines revision process is still underway and new program guidelines will likely be in effect for the 2025 program year.

Agritourism Event Structure Technical Advisory Committee (AGTAC) Update Mr. Sawyer updated the Board on actions taken by the AGTAC Committee. At the October 16 Board meeting, Mr. Sawyer reported on the Committee's findings and recommendations following its four meetings held in 2023. Mr. Sawyer informed the Board that the final written documents of the Committee will be published on the DHCD website. These documents include a final memo, best practices document, and supplement letters from stakeholders.

Mr. Keith Johnson made comments regarding the memo from the Virginia Fire Services Board. Mr. Johnson recommended that the Committee reconvene to consider further recommendations.

The Board discussed the recommendations of the Committee, the continuation of the Committee, and the Board's regulatory authority over agritourism facilities.

Mr. Berbert directed Mr. Johnson to prepare a written proposal for the Board to consider regarding the continuation and goals of the AGTAC Committee.

Regulatory and Legislative Update

Mr. Bryan Horn, DHCD Director, provided an update that the Governor approved all four chapters of the building code regulations (VADR, SFPC, USBC, and IBSR) which have an effective date of January 18, 2024. Mr. Horn provided an update on the upcoming legislative session including agency guidance regarding the conduct of board members on legislative matters.

Mr. Farrell thanked DHCD staff including Ms. Cindy Davis, Mr. Jeff Brown, and their team for another successful code development cycle.

Resolutions to Commend Board Members Mr. Berbert announced two commending resolutions for former board members, Mr. Brett Meringoff and Ms. Patty Shields. A

motion was properl	y made an	d seconded	l to approve these
resolutions. The mo	otion passe	d on a voic	e vote.

Virginia Housing Report Ms. Susan Dewey, CEO of Virginia Housing, reported on

Virginia Housing's Low-Income Housing Tax Credit program, announced an extension of financing with taxable bonds, and highlighted the recent housing and economic development report

produced by Chmura.

VFSB Report Mr. Snell reported on recent and upcoming meetings of the Fire

Services Board.

Report of the Director Mr. Horn thanked Ms. Susan Dewey for her service on the Board

and congratulated her on her upcoming retirement.

Unfinished Business There was no unfinished business to be discussed.

New Business There was no new business to be discussed.

Board Matters Mr. Sawyer updated the Board on the Conflict of Interest Act

requirements, including Board members' submitting new financial

disclosure statements in 2024.

Ms. Cindy Davis updated the Board on digital access to ICC codes

and documents.

Future Meetings The next meeting of the Board will be January 8, 2024.

Adjournment Upon a motion duly made and seconded, the meeting was

adjourned.

#### BOARD OF HOUSING AND COMMUNITY DEVELOPMENT

Codes and Standards Committee
August 28, 2023
10:54 A.M.
Tuckahoe Area Library
Henrico, Virginia

Members Present
Louie Berbert
Claudia Cotton
Susan Dewey
Sean Farrell
Lynne Goldberg
Richard Gregory
Sylvia Hallock
Abigail Johnson
Roger Jones
J.M. Snell
Scott Stosser
Mark Trostle

Members Absent Keith Johnson Larry Murphy

Call to Order

Mr. Rick Gregory, Chairman of the Codes and Standards Committee, called the meeting to order at 10:54 a.m.

Roll Call

The roll was called by Mr. Kyle Flanders of the Department of Housing and Community Development's (DHCD) Policy Office. Mr. Flanders reported that a quorum was present.

Approval of Minutes

A motion was made and properly seconded to approve the minutes of the December 12, 2022, meeting of the Committee. The motion passed.

Report of the Statewide Fire Prevention Code Development Committee Mr. Louie Berbert, Chairman of the Statewide Fire Prevention Code Development Committee (SFPCDC) reported the committee recommendations.

The SFPCDC recommendation in the form of a motion to recommend approval of the final regulations for the Statewide Fire Prevention Code to include the repeal of Chapter 51 and the promulgation of Chapter 52 was presented to the Committee. After discussion, the motion passed.

Final Regulations

A motion was made and seconded to recommend approval of the final regulations for the Uniform Statewide Building Code. After discussion, the motion passed.

A motion was made and seconded to recommend approval of the final regulations for the Industrialized Building Safety Regulations. After discussion, the motion passed.

A motion was made and seconded to recommend approval of the final regulations for the Virginia Amusement Device Regulations. After discussion, the motion passed.

Other Business

There was no other business to be discussed.

Adjournment

Upon a motion duly made and seconded, the meeting was adjourned.



Glenn Youngkin Governor

Caren Merrick
Secretary of
Commerce and Trade

## COMMONWEALTH of VIRGINIA

Bryan W. Horn Director

# DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

#### **Memorandum**

**To:** Board of Housing and Community Development

**From:** Bryan Horn, DHCD Director

**Subject:** Private Activity Bond (PAB) Guidelines Update

Date: January 2024

The Code of Virginia charges the Board of Housing and Community Development with developing guidelines for allocation of the state's private activity bond volume cap to local housing authorities and the Governor's Pool (State Allocation). Based on the Board approved guidelines, the Department of Housing and Community Development is directed to process requests for volume cap allocation from the local housing authority allocation and the Governor's Pool (as approved by the Governor).

At its July 18, 2022, meeting, the Board authorized staff to proceed with updating the private activity bond guidelines. The update process has included significant stakeholder input through two periods of public comment. The first opportunity for public comment occurred in April and May of 2023. Following this initial comment period, staff drafted proposed amendments to the guidelines. The updates included technical and substantive changes. The proposed amended guidelines were then published for a second period of public comment, which is currently open through March 15, 2024.

Following the closing of the second comment period, staff will incorporate the feedback into the proposed draft to be presented to the Board for approval. Once the Board adopts the guidelines, there will be a final 30-day public comment period. Staff tentatively anticipates finalizing guidelines in August 2024 to take effect in the 2025 program year.

A draft of the proposed amendments to the guidelines are enclosed.

Enclosure





## **Virginia Private Activity Bond Allocation Guidelines**

### **Local Housing Authority (LHA) Allocation**

### **Draft Date December 8, 2023**

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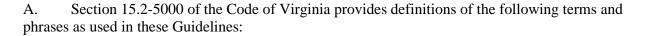
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#### **DEFINITIONS**



"Exempt project"

"Industrial development bond"

"Local housing authority"

"Manufacturing facility"

"Manufactured housing bond"

"Private activity bond"

"Single family housing bond"

"State ceiling"

B. The following words and terms, when used in these guidelines, shall have the following meaning, unless the context clearly indicates otherwise.

"Allocation" or "award" means the notice given by the Commonwealth to provide a project with a specified amount from the state ceiling for a specific issue of bonds.

"Applicant" means an entity that properly submits an application for private activity bond authority in accordance with these Guidelines.

"Carryforward purpose" means certain projects that are eligible to receive an allocation during a calendar year and issue the bonds from the allocation in a later year pursuant to § 146 of the Internal Revenue Code of 1986, as amended.

"Consolidated plan" means the plan required by the United States Department of Housing and Urban Development (HUD) for State and Entitlement jurisdictions that receive funding for any of the following HUD formula programs: Community Development Block Grant (CDBG), HOME Investments Partnerships (HOME), Emergency Solutions Grant (ESG) and Housing Opportunities for Persons with AIDS (HOPWA).

"DHCD" means Department of Housing and Community Development.

"Eligibility" means, with respect to any applicant seeking an allocation of PABs from the local housing authority allocation for projects, that the rents for the units subject to restrictions on the incomes of residents under the Code will meet rent affordability standards. Rent affordability standards can be met by allocation to the project of low-income housing tax credits under Section 42 of the Code or participation in other federal, state, or local housing affordability programs that include legally enforceable rent affordability standards.

DHCD reserves the right to waive this eligibility requirement in the case of a housing project that addresses another compelling local or state objective.

"Governing body" means the board of supervisors of each county and the council of each city and of each town.

"Housing bonds" means multifamily housing bonds and single family housing bonds requiring allocation from the state ceiling.

"IRC" means the Internal Revenue Code of 1986, as amended.

"Issued" means that the PABs have been issued in accordance with IRC §§103 and 141-150.

"Issuing authority" means any political subdivision, governmental unit, authority, or other entity of the Commonwealth which is empowered to issue PABs.

"Locality" means a city, town, or county of the Commonwealth.

"Multifamily housing bond" means any obligation which constitutes an exempt facility bond under federal law for the financing of a qualified residential rental project within the meaning of § 142 of the Code.

"Population" means the most recent estimate of resident population for Virginia and the counties, cities, and towns published by the United States Bureau of the Census or the Weldon Cooper Center for Public Service of the University of Virginia before January 1 of each calendar year.

"Project" means the facility (as described in the application) proposed to be financed, in whole or in part, by an issue of bonds and that meets all of the requirements for eligibility set forth in these Guidelines.

"Rent affordability standards" means that the rent and any estimated cost of utilities (except telephone) payable by residents shall not exceed 30 percent of the applicable income limits under the Code during the period of time that the bonds issued to finance the project will be outstanding.

"State Allocation" means the portion of the state ceiling set aside for projects of state issuing authorities and for projects of state or regional interest as determined by the Governor.

A "Supplemental allocation" means an allocation of PABs that is supplemental to a previous year's allocation (regardless of issuer). A supplemental allocation is for a project that has previously closed and is seeking additional allocation for the same project. A supplemental allocation is not an allocation for a separate phase of a larger development.

#### 1 PROGRAM OVERVIEW

#### 1.1. Introduction.

Every year, the Commonwealth of Virginia is allowed to issue a certain number of federally tax-exempt bonds. Referred to as a "private activity bond" (PAB), a PAB is used to finance certain projects that are considered "qualified private activities" under the Internal Revenue Code of 1986, as amended.

Chapter 50 (§§ 15.2-5000 through 15.2-5005) of Title 15.2 of the Code of Virginia sets aside specified amounts of the Commonwealth's limited PAB issuing authority into four allocation pools. This Chapter requires the Department of Housing and Community Development (DHCD), through the Board of Housing and Community Development, to "establish guidelines in accordance with this chapter that shall detail (i) the *specific administrative policies, criteria, and procedures for the allocation to local housing authorities*" in addition to other responsibilities.

As such, DHCD will allocate PAB authority from the local housing authority allocation through the criteria and procedures set forth in these guidelines. In administering these guidelines, DHCD has responsibilities that include:

- A. Determining the state ceiling on PABs each year beyond 2008 based on the federal per capita limitation on PABs and the population.
- B. Setting aside the proper amount of the state ceiling on PABs for each project type as specified in § 15.2-5002 of the Code of Virginia each year beyond 2008.
- C. Receiving and review project applications for PAB authority to be awarded from the portion of the state ceiling allocated to local housing.
- D. Allocating PAB authority to projects requesting bond authority from the portion of the state ceiling allocated to local housing authorities.

#### 1.2. Availability of Bonds

The allocation of PABs for the State is based on the federal per capita limitation on PABs. Section 15.2-5002 of the Code of Virginia reserves 14% of these bonds for local housing authorities. While these authorities issue PABs, DHCD is required to review and allocates PABs authority to qualified projects.

Yearly availability of PABs will be as posted on the DHCD website. Funding will occur in two competitive rounds with the option for a third, non-competitive round if there is available allocation. DHCD will reserve at least 50% of the available PAB allocation for the applications applying in the second and potential third round. Any unused allocations from the first and second round will automatically be included in the subsequent round.

#### 1.3 Allocation Size Limits.

For Allocation Round 1, an applicant may apply to receive up to \$20 million per project from the portion of the state ceiling reserved for local housing authority projects. For Allocation Round 2, there is no upper limit for project allocations. There is no limit if there is an optional Round 3.

Projects are limited to one allocation per project per calendar year. However, an applicant may reapply if they do not receive an allocation in a prior allocation round.

Projects that applied and did not receive an allocation in the first or second round will automatically be considered in subsequent application rounds, provided that i) all necessary application materials are current and that ii) the application remain identical or substantively similar to the original application. Projects with substantive changes must complete a new application.

### 1.4 Carryforward Allocation.

On or about December 15, DHCD will notify the Virginia Housing Development Authority (VHDA) of the amount of bond issuing authority remaining in the portion of the state ceiling reserved for local housing authorities. After this notification, VHDA must provide a written request to DHCD in order to have such bond issuing authority transferred to VHDA. Any bond authority that remains with DHCD and is not requested by VHDA shall be allocated to other carryforward purposes.

#### **2 ELIGIBILITY**

#### 2.1 Eligible Use of Funds:

An entity seeking bond authority from the LHA pool of PABs for a project must be used to advance production or rehabilitation of affordable housing may submit application to DHCD. This means that the rents for the units subject to restrictions on the incomes of residents under the Code will meet rent affordability standards. Rent affordability standards can be met by allocation to the project of low-income housing tax credits in accordance with IRC § 42 of the Code or participation in other federal, state, or local housing affordability programs that include legally enforceable rent affordability standards.

#### 2.2 Threshold Requirements

All projects seeking an allocation of PAB authority from DHCD must file an application. Application forms are available from DHCD.

Local housing authorities seeking an allocation of bond authority for housing projects shall file Form LHA.

All applications and requests for PAB authority from DHCD shall be accompanied by the following documentation for each project:

- 1. Inducement or official intent resolution or other documentation of the preliminary approval of the project by the issuing authority, in conformity with applicable federal and state law;
- 2. Documentation of approval of the project by the appropriate governing body (see § 5.1 of these guidelines) or elected official, in conformity with applicable federal and state law;
- 3. Written opinion of bond counsel that the project is eligible to utilize PABs pursuant to the Code and that an allocation of bond issuing authority from the state ceiling is required;
- 4. A definite and binding financing commitment from the buyer or underwriter of the bonds for the project, or if the bonds are to be sold competitively, a letter from the financial advisor for the project;

- 5. Certification that the project's financing package will include low-income housing tax credits under IRC §42. If such credits are not a part of the project's financing package, then documentation on participation in another federal, state, or local housing program with legally enforceable rent affordability standards must be included;
- 6. Certification signed by an accountant, executive, or other appropriate entity attesting that the applicant is requesting no more than 55% of the project's aggregate basis in PAB allocation consistent with the submitted budget; and,
- 7. All applications from local housing authorities requesting an allocation of bond authority for housing projects shall be accompanied by a letter from the city manager, the town manager, the county administrator, the county executive, or other chief administrator s of the locality in which the project is located, endorsing the project and stating that the project is in conformity with the Consolidated Plan covering the locality. If the locality is subject to the Commonwealth's consolidated plan as completed by DHCD, DHCD will determine if the project is in conformity with the plan.
- 8. Supplemental allocation only. Supplemental allocations must certify that the allocation addresses project costs that have no alternative but to utilize additional tax-exempt bond financing. The applicant must provide a detailed explanation of use of additional allocation and reason it was not included in original application.

#### 2.3 Effective Period of Allocations.

An allocation of PAB authority awarded by DHCD from the portion of the state ceiling reserved for local housing authority projects shall be effective for 120 days after the allocation award date or until December 15, whichever is earlier.

Additionally, DHCD reserves the authority to extend the 120 day closing period for a project by up to 60 days <u>but no later than December 15</u>. Projects requesting an extension of the closing period shall notify DHCD of the need for an extended closing period and provide compelling reasons why DHCD should extend the allocation period by day 90 of the 120 day closing period

#### 2.4 State Guidelines to Change as Federal Law Determines Eligibility.

If federal law terminates the eligibility or terminates and reauthorizes the eligibility for PAB financing for any PAB the effect shall be to exclude or include, as applicable, that portion of the PAB from these guidelines.

#### 3: Additional Criteria

#### 3.1 Reporting Bond Issuance.

For all PABs issued in the Commonwealth from the portion of the state ceiling allocated to local housing authorities and the state allocation during any calendar year, a copy of the filed federal Internal Revenue Service (IRS) Form 8038 must be received by DHCD no later than 5:00 p.m. on the expiration date of the allocation award. Bond authority that has not been documented as having been issued by the filing of IRS Form 8038 with DHCD by this deadline will revert to DHCD for reallocation to other projects.

For all allocations to carryforward purposes, a copy of the filed IRS Form 8328 must be filed with DHCD by January 15 following the calendar year in which the carryforward award was received. In order to document the amount of bonds issued, a copy of IRS Form 8038 must be sent to DHCD when the bond(s) are issued.

#### 4: Application Review and Evaluation

#### 4.1 Dates and Submission Timeline

Applicants are strongly encouraged to notify DHCD of their intent to make application for allocation as soon as possible after January 1 of each year.

First round applicants (or their representative) that intend to submit an application must notify DHCD of their intent to submit an application at least 30 days before the application open date. Second round applicants/representatives must notify 30 days before the application open date. For projects that held a public hearing in the previous calendar year, they must submit notice by the beginning of the first round of applications.

An applicant will provide notification on the appropriate form provided by DHCD. If notification is not provided, the application may not receive an allocation in the calendar year it submits an application.

#### Program Dates.

The following is a listing of important application and allocation dates and deadlines concerning the portion of the state ceiling administered by DHCD. DHCD will accept applications at the times indicated during the year. Please note that these are approximate dates and may be revised by DHCD as needed.

#### January 1 – January 15

Specified amounts of the state ceiling are reserved for different project types in the Commonwealth by either state law in each calendar year

#### January 15 (Anticipated) –

Anticipated first round of applications opened by DHCD for Local Housing Authority PAB allocation authority. Application period will close following on or about a thirty day application window provided by DHCD.

#### April 1 (Anticipated) -

Anticipated second round of applications opened by DHCD. Application period will close following on or about a thirty day application window provided by DHCD.

#### July 1 (Anticipated)

Anticipated opening of optional third funding round, to be scored on a rolling basis.

#### December 1

Last day applications will be accepted for year-end carryforward purposes.

#### December 15

Last day for the issuance of private activity bonds for projects that received allocations from the state ceiling prior to this date.

#### December 20 – 31

Allocations will be made to year-end carryforward purposes in accordance with the priority system established by these guidelines.

#### 4.2 Scoring Criteria

The overarching goal of DHCD's allocation of PABs from the LHA pool is to promote the production and/or rehabilitation of affordable housing in high demand areas through the efficient allocation of PABs. Based on that intent, DHCD has developed three scoring criteria to help advance this allocation priority.

Clear Description of Project Need:

DHCD will prioritize projects that address areas experiencing a greater need for affordable housing. In doing so, DHCD will consider the following criteria:

- Job creation activity in the locality's Planning District Commission (PDC), as measured by Virginia Economic Development Partnership's (VEDP) job announcements per person for the prior calendar year (see Appendix A for calculation); and
- Housing cost burden, calculated as the percentage of renters who pay more than 30% of their income on housing costs, as calculated by DHCD for the prior calendar year (included in Appendix B).

Demonstration of Readiness: (timeline/schedule)

DHCD will give priority to projects that demonstrate clear readiness for financing and would lead to the rapid production or rehabilitation of affordable housing. In doing so, DHCD will consider:

- Presence of a valid proposed plan of development;
- Presence of a completed Zoning Document;
- Presence of a construction contract
- Positive Recommendation from National Council on Housing Market Analysis (NCHMA) Certified Market Analysis; and
- Sponsor Characteristics.

Efficiency for Project Allocation Request:

DHCD will give priority to projects that demonstrate greater measures of project efficiency and that are mindful of the limited pool of PABs. In doing so, DHCD will consider:

- The cost per unit created or rehabilitated;
- Leveraging of other financing resources, as shown in the project's capital stack or as determined by DHCD; and
- The bond request size, representing no more than 55% of the project's aggregate basis in PAB allocation as certified by the appropriate entity in the project, and where smaller basis request equal a higher score.

#### **4.3 Other Scoring Considerations:**

DHCD will not prioritize new construction over rehabilitation projects or vice versa. However, DHCD will take into consideration the project's category (new construction v. rehabilitation) when comparing measures of project readiness, efficiency, and other factors that are influenced by that categorization.

## **4.4 Scoring Rubric:**

	Category	Percent	Possible Points
Proje	ect Need – 35%		
	Job Creation Activity	10%	<ul> <li>10 Points; where greater job creation activity/locality equals a higher score</li> <li>10 Points: High Job Creation/Locality</li> <li>5 Points: Medium</li> <li>0 Points: No Job Creation/Locality</li> </ul>
	Housing Cost Burden	25%	25 Points; greater cost burden equals higher score - 25 Points: High Cost Burden - 20 Points: Above Average Cost Burden - 15 Points: Below Average Cost Burden - 0 Points: Low Cost Burden
Read	liness – 35%		
	Approved Plan of Development;	5%	5 Points; where submission of an approved plan provides 5 points
	Zoning Document Market Analysis	5% 10%	5 Points; where submission of a document provides 5 points 10 Points; where submission of a document provides 10
	Recommendation	10%	points
	Construction Contract	5%	5 Points:  - 5 points – there is an executed fixed cost construction contract - 3 points – there is evidence of a construction contract that will be executed prior to closing - 0 points – there is no evidence of a construction contract
	Sponsor Characteristics	10%	<ul> <li>15 Points; where presence of Developer Experience adds up to 15 points, and where the presence of any of the following leads to a subtraction of the following values:</li> <li>15 points – 5 or more bond projects in Virginia in the past five calendar years</li> <li>10 points – 1-4 bond projects in Virginia in the past five years</li> <li>0 points - no projects in Virginia in the past five years</li> </ul>
Proie	ect Efficiency - 30%		
	Cost per unit	10%	10 Points based on efficient use of resources (cost) score

		- 10 points – 80-100 - 5 points – 40-79 - 0 point – 0-39
Other Resources – this includes grant or loan funding provided by a local, state, federal or other entity. It does not include GP, sponsor loans, or deferred developer fees.	10%	10 Points; where presence of more resources equated to a higher score:  - at least 2 other local, state, or federal resources leveraged: 10 points - at least one other local, state, or federal resources leveraged: 5 points - no other resources leveraged: 0 points
Bond Request Size	10%	10 Points; where the proportion of the aggregate basis requested equals a higher score:  - 50.01% - 50.99% - 10 points - 51% - 51.99% - 7.5 points - 52.00 - 52.99% - 5 points - 53.00 - 53.99 - 2.5 points - 54.00 - 54.99% - 0 points.
Threshold Criteria	Must be	met in order to receive allocation
TOTAL	100%	_/100 Points

### 4.5. Project Approval.

Upon scoring from DHCD and approval of PAB allocation authority, projects of local issuing authorities must be approved by the governing body having jurisdiction over the authority as well as by the governing body having jurisdiction over the locality in which the project is located. This is often the same governing body.

## **5. Effective Date of Scoring Criteria**

The Guidelines presented above will not go into effect until January 1, 2025, upon approval of the BHCD before that date.

#### APPENDIX A: JOB CREATION PER PLANNING DISTRICT COMMISSION:

In order to encourage projects in localities with high levels of economic development activity, DHCD will consider the ratio between the number of new jobs created in a Planning District Commission (PDC) to its overall population. The formula is as follows:

$$JOB\ CREATION/PERSON = \frac{NUMBER\ OF\ JOBS\ CREATED}{TOTAL\ PDC\ POPULATION}$$

Upon completing this calculation, DHCD will categorize localities by three categories:

- High Job Creation Levels (job creation/per capita > 0.001);
- Medium Job Creation Levels (0.001 > job creation/per capita > 0.000), and
- Low/No Job Creation Levels (job creation/per capita = 0.000).

Projects that are located in localities with "High" or "Medium" job creation levels will received additional points in the scoring of applications. Local categories are included in the following table.

Data for job creation is for the 2022 Calendar Year from the Virginia Economic Development Partnership Authority's <u>Virginia Announcements Database</u>. Data for local population is from the <u>Weldon Cooper Center</u> as of July 1, 2022.

Locality	PROPOSED REVISIONS								
Albemarle County	Locality		PDC		Population				
Albemarle County	Accomack County	5	22	County	32,926	246	High		
Alexandria City	•	9	10			8			
Alleghany County	ž	7	8			0			
Amelia County         3         14         County         13,263         0         None           Amherst County         2         11         County         31,139         0         Low           Appomattox County         2         11         County         16,534         130         Low           Arlington County         7         8         County         241,283         1118         High           Augusta County         8         6         County         77,758         500         Medium           Bath County         8         6         County         4,228         0         Medium           Bedford City         2         11         City         79,943         30         Low           Bland County         1         3         County         6,295         0         Medium           Bottourt County         2         5         County         15,465         0         High           Bristol City         1         3         City         16,6803         0         Medium           Brussick County         1         2         County         15,465         0         High           Buckingham County         3         1	•	2	5	· ·		0			
Appomattox County		3	14	<u> </u>	13,263	0	None		
Arlington County         7         8         County         241,283         1118         High           Augusta County         8         6         County         77,758         500         Medium           Bath County         8         6         County         77,758         500         Medium           Bedford City         2         11         City         79,943         30         Low           Bland County         1         3         County         6,295         0         Medium           Botetour County         2         5         County         16,803         0         Medium           Brusswick County         3         13         County         15,465         0         High           Buckingham County         1         2         County         19,434         181         High           Buckingham County         3         14         County         16,810         0         Medium           Campbell County         2         11         County         55,955         0         Low           Carroll County         6         16         County         28,809         0         Medium           Charles City County	Amherst County	2	11	County	31,139	0	Low		
Artington County         7         8         County         241,283         1118         High           Augusta County         8         6         County         77,758         500         Medium           Bath County         8         6         County         77,758         500         Medium           Bedford City         2         11         City         79,943         30         Low           Bland County         1         3         County         6,295         0         Medium           Boteour County         2         5         County         6,295         0         Medium           Brussicl City         1         3         City         16,803         0         Medium           Bruswick County         3         13         County         15,465         0         High           Buckingham County         1         2         County         16,810         0         None           Buena Vista City         8         6         City         6,647         0         Medium           Carroll County         1         3         County         55,955         0         Low           Carrollo County         4         1	Appomattox County	2	11	County	16,534	130	Low		
Bath County         8         6         County         4,228         0         Medium           Bedford City         2         11         City         79,943         30         Low           Bland County         1         3         County         6,295         0         Medium           Boteourt County         1         3         County         16,803         0         Medium           Bristol City         1         3         City         16,803         0         Medium           Bruswick County         1         2         County         19,434         181         High           Buchanan County         1         2         County         16,810         0         None           Buckingham County         3         14         County         16,810         0         None           Buckingham County         3         14         County         16,647         0         Medium           Carolito County         6         16         City         6,647         0         Medium           Carolito County         4         15         County         3,2334         745         High           Carroll County         3	Arlington County	7	8	County	241,283	1118	High		
Bedford City         2         11         City         79,943         30         Low           Bland County         1         3         County         6,295         0         Medium           Boteourt County         2         5         County         33,510         0         Low           Bristol City         1         3         City         16,803         0         Medium           Brunswick County         1         2         County         19,434         181         High           Buchanan County         1         2         County         19,434         181         High           Buckingham County         3         14         County         16,647         0         Medium           Caroline County         8         6         City         6,647         0         Medium           Carrolle County         6         16         County         35,955         0         Low           Carrolle County         1         3         County         55,955         0         Low           Charlottes City         4         15         County         41,333         0         None           Charlottesville City         9 <t< td=""><td>Augusta County</td><td>8</td><td>6</td><td>County</td><td>77,758</td><td>500</td><td>Medium</td></t<>	Augusta County	8	6	County	77,758	500	Medium		
Bland County	Bath County	8	6	County	4,228	0	Medium		
Botetourt County	Bedford City	2	11	City	79,943	30	Low		
Bristol City	Bland County	1	3	County	6,295	0	Medium		
Brunswick County	Botetourt County	2	5	County	33,510	0	Low		
Brunswick County         3         13         County         15,465         0         High           Buchanan County         1         2         County         19,434         181         High           Buchanan County         3         14         County         16,810         0         None           Buena Vista City         8         6         City         6,647         0         Medium           Campbell County         2         11         County         55,955         0         Low           Caroline County         6         16         County         32,334         745         High           Carroll County         1         3         County         28,809         0         Medium           Charloste City County         4         15         County         6,587         0         High           Charlotte Sville City         9         10         City         51,278         0         Low           Charlottesville City         9         10         City         51,278         0         Low           Chesterfield County         4         15         County         381,858         2212         High           Clarke County	Bristol City	1	3	City	16,803	0	Medium		
Buchanan County         1         2         County         19,434         181         High           Buckingham County         3         14         County         16,810         0         None           Buena Vista City         8         6         City         6,647         0         Medium           Campbell County         2         11         County         55,955         0         Low           Caroline County         6         16         County         32,334         745         High           Carroll County         1         3         County         28,809         0         Medium           Charlotte County         4         15         County         6,587         0         High           Charlotte County         3         14         County         11,433         0         None           Charlotte Sville City         9         10         City         51,278         0         Low           Charlotte Sville City         5         23         City         51,959         75         Low           Chesapeake City         5         C3         City         51,959         75         Low           Chesterfield County         <	Brunswick County	3	13	·	15,465	0			
Buckingham County         3         14         County         16,810         0         None           Buena Vista City         8         6         City         6,647         0         Medium           Campbell County         2         11         County         55,955         0         Low           Caroline County         6         16         County         32,334         745         High           Carroll County         1         3         County         28,809         0         Medium           Charles City County         4         15         County         6,587         0         High           Charlottesville City         9         10         City         51,278         0         Low           Chesapeake City         5         23         City         251,959         75         Low           Chesterfield County         4         15         County         18,385         2212         High           Clarke County         8         7         County         15,341         0         Low           Colonial Heights City         4         15         City         18,040         0         Low           Craig County         2		1	2		19,434	181			
Buena Vista City         8         6         City         6,647         0         Medium           Campbell County         2         11         County         55,955         0         Low           Carrollo County         6         16         County         28,809         0         Medium           Charlotte County         1         3         County         28,809         0         Medium           Charlotte County         4         15         County         6,587         0         High           Charlotte County         3         14         County         11,433         0         None           Charlottesville City         9         10         City         51,278         0         Low           Charlottesville City         5         23         City         251,959         75         Low           Chesapeake City         5         23         City         251,959         75         Low           Chesterfield County         4         15         County         381,858         2212         High           Clarke County         8         7         County         15,341         0         Low           Covington City <td< td=""><td></td><td>3</td><td></td><td></td><td></td><td>0</td><td></td></td<>		3				0			
Campbell County         2         11         County         55,955         0         Low           Caroline County         6         16         County         32,334         745         High           Carroll County         1         3         County         28,809         0         Medium           Charlotte County         4         15         County         6,587         0         High           Charlotte County         3         14         County         11,433         0         None           Charlottesville City         9         10         City         51,278         0         Low           Chesapeake City         5         23         City         251,959         75         Low           Chesterfield County         4         15         County         381,858         2212         High           Clarke County         8         7         County         15,341         0         Low           Colonial Heights City         4         15         City         18,040         0         High           Covington City         2         5         City         5,650         0         Low           Caraje County         9		8	6			0	Medium		
Caroline County         6         16         County         32,334         745         High           Carroll County         1         3         County         28,809         0         Medium           Charles City County         4         15         County         6,587         0         High           Charlottes City         3         14         County         11,433         0         None           Charlottesville City         9         10         City         51,278         0         Low           Chesapeake City         5         23         City         251,959         75         Low           Chesterfield County         4         15         County         381,858         2212         High           Clarke County         8         7         County         15,341         0         Low           Clarke County         4         15         City         18,040         0         High           Covington City         2         5         City         5,650         0         Low           Craig County         2         5         County         4,906         0         Low           Cumberland County         3		2	11			0			
Carroll County         1         3         County         28,809         0         Medium           Charles City County         4         15         County         6,587         0         High           Charlotte County         3         14         County         11,433         0         None           Charlottesville City         9         10         City         51,278         0         Low           Chesterfield County         4         15         County         381,858         2212         High           Clarke County         4         15         County         15,341         0         Low           Colonial Heights City         4         15         City         18,040         0         High           Covington City         2         5         City         5,650         0         Low           Craig County         2         5         County         54,089         0         Low           Culpeper County         9         9         County         54,089         0         Low           Cumberland County         3         14         County         9,877         0         None           Danville City         3			16			745			
Charles City County         4         15         County         6,587         0         High           Charlotte County         3         14         County         11,433         0         None           Charlottesville City         9         10         City         51,278         0         Low           Chesapeake City         5         23         City         251,959         75         Low           Chesterfield County         4         15         County         381,858         2212         High           Clarke County         8         7         County         15,341         0         Low           Colonial Heights City         4         15         City         18,040         0         High           Covington City         2         5         City         5,650         0         Low           Craig County         2         5         County         4,906         0         Low           Culpeper County         9         9         County         54,089         0         Low           Cumberland County         3         12         City         42,348         0         Medium           Dickenson County         1		1	3			0			
Charlotte County         3         14         County         11,433         0         None           Charlottesville City         9         10         City         51,278         0         Low           Chesapeake City         5         23         City         251,959         75         Low           Chesterfield County         4         15         County         381,858         2212         High           Clarke County         8         7         County         15,341         0         Low           Colonial Heights City         4         15         City         18,040         0         High           Covington City         2         5         City         5,650         0         Low           Craig County         2         5         County         4,906         0         Low           Culpeper County         9         9         County         54,089         0         Low           Cumberland County         3         14         County         9,877         0         None           Danville City         3         12         City         42,348         0         Medium           Dickenson County         1	-	4	15			0			
Charlottesville City         9         10         City         51,278         0         Low           Chesapeake City         5         23         City         251,959         75         Low           Chesterfield County         4         15         County         381,858         2212         High           Clarke County         8         7         County         15,341         0         Low           Colonial Heights City         4         15         City         18,040         0         High           Covington City         2         5         City         5,650         0         Low           Craig County         2         5         County         4,906         0         Low           Culpeper County         9         9         County         54,089         0         Low           Cumberland County         3         14         County         9,877         0         None           Danville City         3         12         City         42,348         0         Medium           Dickenson County         1         2         County         13,711         0         High           Dinwiddie County         4						0			
Chesapeake City         5         23         City         251,959         75         Low           Chesterfield County         4         15         County         381,858         2212         High           Clarke County         8         7         County         15,341         0         Low           Colonial Heights City         4         15         City         18,040         0         High           Covington City         2         5         City         5,650         0         Low           Craig County         2         5         County         4,906         0         Low           Culpeper County         9         9         County         54,089         0         Low           Cumberland County         3         14         County         9,877         0         None           Danville City         3         12         City         42,348         0         Medium           Dickenson County         1         2         County         13,711         0         High           Dinwiddie County         4         19         City         5,657         0         Low           Essex County         6         18 <td></td> <td>9</td> <td>10</td> <td></td> <td></td> <td>0</td> <td></td>		9	10			0			
Chesterfield County         4         15         County         381,858         2212         High           Clarke County         8         7         County         15,341         0         Low           Colonial Heights City         4         15         City         18,040         0         High           Covington City         2         5         City         5,650         0         Low           Craig County         2         5         County         4,906         0         Low           Culpeper County         9         9         County         54,089         0         Low           Cumberland County         3         14         County         9,877         0         None           Danville City         3         12         City         42,348         0         Medium           Dickenson County         1         2         County         13,711         0         High           Dinwiddie County         4         19         City         5,657         0         Low           Essex County         6         18         County         10,578         0         None           Fairfax City         7         8		5	23			75			
Clarke County         8         7         County         15,341         0         Low           Colonial Heights City         4         15         City         18,040         0         High           Covington City         2         5         City         5,650         0         Low           Craig County         2         5         County         4,906         0         Low           Culpeper County         9         9         County         54,089         0         Low           Cumberland County         3         14         County         9,877         0         None           Danville City         3         12         City         42,348         0         Medium           Dickenson County         1         2         County         13,711         0         High           Dinwiddie County         4         19         County         28,552         145         Low           Emporia City         4         19         City         5,657         0         Low           Essex County         6         18         County         10,578         0         None           Fairfax City         7         8 <t< td=""><td></td><td>4</td><td></td><td>· ·</td><td></td><td>2212</td><td></td></t<>		4		· ·		2212			
Colonial Heights City         4         15         City         18,040         0         High           Covington City         2         5         City         5,650         0         Low           Craig County         2         5         County         4,906         0         Low           Culpeper County         9         9         County         54,089         0         Low           Cumberland County         3         14         County         9,877         0         None           Danville City         3         12         City         42,348         0         Medium           Dickenson County         1         2         County         13,711         0         High           Dinwiddie County         4         19         County         28,552         145         Low           Emporia City         4         19         City         5,657         0         Low           Essex County         6         18         County         10,578         0         None           Fairfax City         7         8         City         1,139,755         3237         High           Fairfax County         7         8		8	7			0			
Covington City         2         5         City         5,650         0         Low           Craig County         2         5         County         4,906         0         Low           Culpeper County         9         9         County         54,089         0         Low           Cumberland County         3         14         County         9,877         0         None           Danville City         3         12         City         42,348         0         Medium           Dickenson County         1         2         County         13,711         0         High           Dinwiddie County         4         19         County         28,552         145         Low           Emporia City         4         19         City         5,657         0         Low           Essex County         6         18         County         10,578         0         None           Fairfax City         7         8         City         1,139,755         3237         High           Fairfax County         7         8         City         14,566         0         High           Falls Church City         7         8         <	Colonial Heights City	4	15	City	18,040	0			
Craig County         2         5         County         4,906         0         Low           Culpeper County         9         9         County         54,089         0         Low           Cumberland County         3         14         County         9,877         0         None           Danville City         3         12         City         42,348         0         Medium           Dickenson County         1         2         County         13,711         0         High           Dinwiddie County         4         19         County         28,552         145         Low           Emporia City         4         19         City         5,657         0         Low           Essex County         6         18         County         10,578         0         None           Fairfax City         7         8         City         1,139,755         3237         High           Fairfax County         7         8         City         14,566         0         High           Falls Church City         7         8         City         14,566         0         High           Fauquier County         9         9		2	5			0			
Culpeper County         9         9         County         54,089         0         Low           Cumberland County         3         14         County         9,877         0         None           Danville City         3         12         City         42,348         0         Medium           Dickenson County         1         2         County         13,711         0         High           Dinwiddie County         4         19         County         28,552         145         Low           Emporia City         4         19         City         5,657         0         Low           Essex County         6         18         County         10,578         0         None           Fairfax City         7         8         City         1,139,755         3237         High           Fairfax County         7         8         City         14,566         0         High           Falls Church City         7         8         City         14,566         0         High           Fauquier County         9         9         County         73,536         0         Low           Floyd County         2         4				-		0			
Cumberland County         3         14         County         9,877         0         None           Danville City         3         12         City         42,348         0         Medium           Dickenson County         1         2         County         13,711         0         High           Dinwiddie County         4         19         County         28,552         145         Low           Emporia City         4         19         City         5,657         0         Low           Essex County         6         18         County         10,578         0         None           Fairfax City         7         8         City         1,139,755         3237         High           Fairfax County         7         8         County         24,003         0         High           Falls Church City         7         8         City         14,566         0         High           Fauquier County         9         9         County         73,536         0         Low           Fluvanna County         9         10         County         15,160         15         Medium           Franklin City         5         23 </td <td>•</td> <td>9</td> <td>9</td> <td>·</td> <td>54,089</td> <td>0</td> <td></td>	•	9	9	·	54,089	0			
Danville City         3         12         City         42,348         0         Medium           Dickenson County         1         2         County         13,711         0         High           Dinwiddie County         4         19         County         28,552         145         Low           Emporia City         4         19         City         5,657         0         Low           Essex County         6         18         County         10,578         0         None           Fairfax City         7         8         City         1,139,755         3237         High           Fairfax County         7         8         County         24,003         0         High           Falls Church City         7         8         City         14,566         0         High           Fauquier County         9         9         County         73,536         0         Low           Floyd County         2         4         County         15,160         15         Medium           Fluvanna County         9         10         County         27,843         0         Low           Franklin City         5         23	·	3	14	†		0	None		
Dinwiddie County         4         19         County         28,552         145         Low           Emporia City         4         19         City         5,657         0         Low           Essex County         6         18         County         10,578         0         None           Fairfax City         7         8         City         1,139,755         3237         High           Fairfax County         7         8         County         24,003         0         High           Falls Church City         7         8         City         14,566         0         High           Fauquier County         9         9         County         73,536         0         Low           Floyd County         2         4         County         15,160         15         Medium           Fluvanna County         9         10         County         27,843         0         Low           Franklin City         5         23         City         54,155         0         Low           Franklin County         2         5         County         7,987         0         Low		3	12	City	42,348	0	Medium		
Emporia City         4         19         City         5,657         0         Low           Essex County         6         18         County         10,578         0         None           Fairfax City         7         8         City         1,139,755         3237         High           Fairfax County         7         8         County         24,003         0         High           Falls Church City         7         8         City         14,566         0         High           Fauquier County         9         9         County         73,536         0         Low           Floyd County         2         4         County         15,160         15         Medium           Fluvanna County         9         10         County         27,843         0         Low           Franklin City         5         23         City         54,155         0         Low           Franklin County         2         5         County         7,987         0         Low	Dickenson County	1	2	County	13,711	0	High		
Essex County         6         18         County         10,578         0         None           Fairfax City         7         8         City         1,139,755         3237         High           Fairfax County         7         8         County         24,003         0         High           Falls Church City         7         8         City         14,566         0         High           Fauquier County         9         9         County         73,536         0         Low           Floyd County         2         4         County         15,160         15         Medium           Fluvanna County         9         10         County         27,843         0         Low           Franklin City         5         23         City         54,155         0         Low           Franklin County         2         5         County         7,987         0         Low	Dinwiddie County	4	19	County	28,552	145	Low		
Fairfax City         7         8         City         1,139,755         3237         High           Fairfax County         7         8         County         24,003         0         High           Falls Church City         7         8         City         14,566         0         High           Fauquier County         9         9         County         73,536         0         Low           Floyd County         2         4         County         15,160         15         Medium           Fluvanna County         9         10         County         27,843         0         Low           Franklin City         5         23         City         54,155         0         Low           Franklin County         2         5         County         7,987         0         Low	Emporia City	4	19	City	5,657	0	Low		
Fairfax City         7         8         City         1,139,755         3237         High           Fairfax County         7         8         County         24,003         0         High           Falls Church City         7         8         City         14,566         0         High           Fauquier County         9         9         County         73,536         0         Low           Floyd County         2         4         County         15,160         15         Medium           Fluvanna County         9         10         County         27,843         0         Low           Franklin City         5         23         City         54,155         0         Low           Franklin County         2         5         County         7,987         0         Low	ž ,	6	18			0			
Fairfax County         7         8         County         24,003         0         High           Falls Church City         7         8         City         14,566         0         High           Fauquier County         9         9         County         73,536         0         Low           Floyd County         2         4         County         15,160         15         Medium           Fluvanna County         9         10         County         27,843         0         Low           Franklin City         5         23         City         54,155         0         Low           Franklin County         2         5         County         7,987         0         Low	·	7	8	·	1,139,755	3237			
Falls Church City         7         8         City         14,566         0         High           Fauquier County         9         9         County         73,536         0         Low           Floyd County         2         4         County         15,160         15         Medium           Fluvanna County         9         10         County         27,843         0         Low           Franklin City         5         23         City         54,155         0         Low           Franklin County         2         5         County         7,987         0         Low	Fairfax County	7	8	· · · · ·		0			
Fauquier County         9         9         County         73,536         0         Low           Floyd County         2         4         County         15,160         15         Medium           Fluvanna County         9         10         County         27,843         0         Low           Franklin City         5         23         City         54,155         0         Low           Franklin County         2         5         County         7,987         0         Low	Ţ	7	8	•	14,566	0			
Fluvanna County         9         10         County         27,843         0         Low           Franklin City         5         23         City         54,155         0         Low           Franklin County         2         5         County         7,987         0         Low	Fauquier County	9	9	County	73,536	0			
Fluvanna County         9         10         County         27,843         0         Low           Franklin City         5         23         City         54,155         0         Low           Franklin County         2         5         County         7,987         0         Low	Floyd County	2	4	<u> </u>		15			
Franklin City         5         23         City         54,155         0         Low           Franklin County         2         5         County         7,987         0         Low		9	10	County	27,843	0	Low		
Franklin County 2 5 County 7,987 0 Low	· · · · · · · · · · · · · · · · · · ·	5	23	City		0	Low		
	Franklin County	2	5	County	7,987	0			
	Fredrick County	8	7	County	94,871	37	Low		

PROPOSED REVISIONS								
Locality	GOVA Region	PDC	Juris- diction	Population	New Jobs Created	Category – PDC		
Fredericksburg City	6	16	City	27,667	0	High		
Galax City	1	3	City	6,778	0	Medium		
Giles County	2	4	County	16,657	0	Medium		
Gloucester County	6	18	County	38,799	0	None		
Goochland County	4	15	County	26,183	0	High		
Grayson County	1	3	County	15,347	0	Medium		
Greene County	9	10	County	21,165	0	Low		
Greensville County	4	19	County	11,088	0	Low		
Halifax County	3	13	County	33,257	297	High		
Hampton City	5	23	City	136,387	0	Low		
Hanover County	4	15	County	112,409	502	High		
Harrisonburg City	8	6	City	55,700	0	Medium		
Henrico County	4	15	County	336,074	809	High		
Henry County	3	12	County	48,835	0	Medium		
Highland County	8	6	County	2,234	0	Medium		
Hopewell City	4	19	City	22,657	0	Low		
Isle of Wight County	5	23	County	39,950	0	Low		
James City County	5	23	County	79,488	0	Low		
King and Queen County	6	18	County	6,663	0	None		
King George County	6	16	County	27,645	0	High		
King William County	6	18	County	18,107	0	None		
Lancaster County	6	17	County	10,757	0	None		
Lee County	1	1	County	21,699	0	None		
Lexington City	8	6	City	7,264	0	Medium		
Loudoun County	7	8	County	431,006	903	High		
Louisa County	9	10	County	39,725	0	Low		
Lunenburg County	3	14	County	11,958	0	None		
Lynchburg City	2	11	City	80,127	0	Low		
Madison County	9	9	County	14,017	0	Low		
Manassas City	7	8	City	42,626	149	High		
Manassas Park City	7	8	City	17,277	0	High		
Martinsville City	3	12	City	13,234	0	Medium		
Mathews County	6	18	County	8,446	0	None		
Mecklenburg County	3	13	County	30,179	60	High		
Middlesex County	6	18	County	10,779	0	None		
Montgomery County	2	4	County	102,061	200	Medium		
Nelson County	9	10	County	14,813	0	Low		
New Kent County	4	15	County	24,808	352	High		
Newport News City	5	23	City	183,504	64	Low		
Norfolk City	5	23	County	237,770	355	Low		
Northampton County	5	22	County	12,039	0	High		
Northumberland County	6	17	County	11,778	0	None		
Norton City	1	1	City	3,638	0	None		
Nottoway County	3	14	County	15,608	0	None		
Orange County	9	9	County	37,109	10	Low		
Page County	8	7	County	23,374	0	Low		

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Locality	GOVA Region	PDC	Juris- diction	Population	New Jobs Created	Category – PDC		
Patrick County	3	12	County	17,080	0	Medium		
Petersburg City	4	19	City	33,466	10	Low		
Pittsylvania County	3	12	County	59,366	218	Medium		
Poquoson City	5	23	City	12,624	0	Low		
Portsmouth City	5	23	City	96,700	0	Low		
Powhatan County	4	15	County	31,365	0	High		
Prince Edward County	3	14	County	21,956	0	None		
Prince George County	4	19	County	43,295	0	Low		
Prince William County	7	8	County	490,325	185	High		
Pulaski County	2	4	County	33,571	0	Medium		
Radford City	2	4	City	16,835	0	Medium		
Rappahannock County	9	9	County	7,394	0	Low		
Richmond City	4	15	City	9,165	387	High		
Richmond County	6	17	County	226,967	0	None		
Roanoke City	2	5	City	96,605	20	Low		
Roanoke County	2	5	County	99,634	0	Low		
Rockbridge County	8	6	County	22,498	0	Medium		
Rockingham County	8	6	County	84,149	0	Medium		
Russell County	1	2	County	25,338	50	High		
Salem City	2	5	City	24,924	0	Low		
Scott County	1	1	County	21,309	0	None		
Shenandoah County	8	7	County	44,541	0	Low		
Smyth County	1	3	County	29,025	75	Medium		
Southampton County	5	23	County	17,913	0	Low		
Spotsylvania County	6	16	County	145,013	0	High		
Stafford County	6	16	County	163,239	103	High		
Staunton City	8	6	City	25,773	0	Medium		
Suffolk City	5	23	City	99,179	362	Low		
Surry County	4	19	County	6,492	0	Low		
Sussex County	4	19	County	10,388	5	Low		
Tazewell County	1	2	County	39,470	88	High		
Virginia Beach City	5	23	City	455,385	525	Low		
Warren County	8	7	County	41,280	100	Low		
Washington County	1	3	County	53,723	250	Medium		
Waynesboro City	8	6	City	22,537	6	Medium		
Westmoreland County	6	17	County	18,760	0	None		
Williamsburg City	5	23	City	16,224	0	Low		
Winchester City	8	7	City	28,417	45	Low		
Wise County	1	1	County	35,515	0	None		
Wythe County	1	3	County	27,941	0	Medium		
York County	5	23	County	71,491	0	Low		

#### APPENDIX B: RENTER COST BURDEN PER LOCALITY:

In order to encourage projects in localities with high levels of housing need, DHCD will consider the degree to which a locality's renter population is cost burdened compared to all other localities. This comparison is done by creating a normal distribution, where a locality's degree of renter cost burden is compared to the state average.

 $RENTER\ COST\ BURDEN\ SCORE = \frac{STATEWIDE\ AVERAGE\ COST\ BURDEN - LOCALITY\ COST\ BURDEN}{STATEWIDE\ STANDARD\ DEVIATION\ OF\ COST\ BURDEN}$ 

Upon completing this calculation, DHCD categorized localities by four categories, where higher scores equate to greater renter cost burden:

- High Cost Burden = Renter cost burden one standard deviation or more above the statewide average (Renter Cost Burden > 47%);
- Above Average Cost Burden = Renter cost burden within standard deviation above statewide average (47% > Renter Cost Burden > 39%);
- Below Average Cost Burden = Renter cost burden within standard deviation below statewide average (39% > Renter Cost Burden > 31%);
- Low Cost Burden = Renter cost burden one standard deviation below or more than the statewide average (Renter Cost Burden < 31%);

Projects that are located in localities with higher cost burden levels will receive additional points in the scoring of applications. Local categories are included in the following table.

Data for housing cost burden is from the <u>American Community Survey from 2027-2021</u>. "Cost Burdened" is defined as any household who pays more than 30% of their gross income on rent. Values are as a percent of total renter population.

	COLL			<b>D</b> 4 G 4	Renter Cost	Renter Cost
Locality	GOVA Region	PDC	Juris- diction	Renter Cost Burden	Burden	Burden
	Ü				Score	Category
Accomack County	5	22	County	34.23%	96.87	Below Average
Albemarle County	9	10	County	43.29%	102.45	Above Average
Alexandria City	7	8	City	42.92%	102.22	Above Average
Alleghany County	2	5	County	33.44%	96.39	Below Average
Amelia County	3	14	County	48.65%	105.75	High
Amherst County	2	11	County	38.07%	99.24	Below Average
Appomattox County	2	11	County	37.03%	98.60	Below Average
Arlington County	7	8	County	37.02%	98.59	Below Average
Augusta County	8	6	County	35.20%	97.47	Below Average
Bath County	8	6	County	23.02%	89.97	Low
Bedford City	2	11	City	39.52%	100.13	Above Average
Bland County	1	3	County	37.33%	98.79	Below Average
Botetourt County	2	5	County	24.61%	90.95	Low
Bristol City	1	3	City	42.15%	101.75	Above Average
Brunswick County	3	13	County	38.41%	99.45	Below Average
Buchanan County	1	2	County	31.70%	95.32	Below Average
Buckingham County	3	14	County	40.63%	100.82	Above Average
Buena Vista City	8	6	City	51.16%	107.30	High
Campbell County	2	11	County	32.74%	95.96	Below Average
Caroline County	6	16	County	45.25%	103.66	Above Average
Carroll County	1	3	County	33.79%	96.60	Below Average
Charles City County	4	15	County	43.46%	102.56	Above Average
Charlotte County	3	14	County	40.75%	100.89	Above Average
Charlottesville City	9	10	City	51.35%	107.41	High
Chesapeake City	5	23	City	51.72%	107.64	High
Chesterfield County	4	15	County	45.81%	104.00	Above Average
Clarke County	8	7	County	56.76%	110.75	High
Colonial Heights City	4	15	City	59.66%	112.53	High
Covington City	2	5	City	26.48%	92.11	Low
Craig County	2	5	County	24.54%	90.91	Low
Culpeper County	9	9	County	39.96%	100.40	Above Average
Cumberland County	3	14	County	26.42%	92.07	Low
Danville City	3	12	City	42.62%	102.04	Above Average
Dickenson County	1	2	County	38.35%	99.41	Below Average
Dinwiddie County	4	19	County	32.49%	95.80	Below Average
Emporia City	4	19	City	43.70%	102.71	Above Average
Essex County	6	18	County	49.86%	106.50	High
Fairfax City	7	8	City	48.82%	105.85	High
Fairfax County	7	8	County	44.50%	103.19	Above Average
Falls Church City	7	8	City	34.57%	97.08	Below Average
Fauquier County	9	9	County	34.02%	96.74	Below Average
Floyd County		4	•	36.00%	97.97	Below Average
1 Toya County	2	4	County	30.00%	71.71	Delow Average

Renter Cost Renter Cost Renter Cost									
Locality	GOVA Region	PDC	Juris- diction	Renter Cost Burden	Burden	Burden			
Fluvanna County	9	10	County	20.11%	<b>Score</b> 88.18	<b>Category</b> Low			
Franklin City	5	23	City	47.31%	104.93	Above Average			
Franklin County	2	5		36.02%	97.97				
Fredrick County	8	7	County County	36.54%	98.29	Below Average			
Fredericksburg City						Below Average			
Galax City	6	16	City	44.73%	103.34	Above Average			
Giles County	1	3	City	39.40%	100.06	Above Average			
-	2	4	County	30.32%	94.47	Low			
Gloucester County	6	18	County	40.30%	100.61	Above Average			
Goochland County	4	15	County	31.61%	95.26	Below Average			
Grayson County	1	3	County	30.03%	94.29	Low			
Greene County	9	10	County	26.10%	91.87	Low			
Greensville County	4	19	County	38.63%	99.58	Below Average			
Halifax County	3	13	County	43.18%	102.39	Above Average			
Hampton City	5	23	City	52.53%	108.14	High			
Hanover County	4	15	County	40.91%	100.99	Above Average			
Harrisonburg City	8	6	City	43.98%	102.87	Above Average			
Henrico County	4	15	County	47.64%	105.13	High			
Henry County	3	12	County	38.31%	99.39	Below Average			
Highland County	8	6	County	29.88%	94.20	Low			
Hopewell City	4	19	City	45.91%	104.06	Above Average			
Isle of Wight County	5	23	County	36.67%	98.38	Below Average			
James City County	5	23	County	46.35%	104.33	Above Average			
King and Queen County	6	18	County	24.95%	91.16	Low			
King George County	6	16	County	47.07%	104.78	Above Average			
King William County	6	18	County	33.26%	96.28	Below Average			
Lancaster County	6	17	County	37.94%	99.16	Below Average			
Lee County	1	1	County	39.66%	100.22	Above Average			
Lexington City	8	6	City	48.49%	105.65	High			
Loudoun County	7	8	County	41.41%	101.29	Above Average			
Louisa County	9	10	County	46.59%	104.48	Above Average			
Lunenburg County	3	14	County	34.10%	96.80	Below Average			
Lynchburg City	2	11	City	45.23%	103.65	Above Average			
Madison County	9	9	County	33.30%	96.30	Below Average			
Manassas City	7	8	City	51.59%	107.56	High			
Manassas Park City	7	8	City	58.94%	112.09	High			
Martinsville City	3	12	City	40.93%	101.00	Above Average			
Mathews County	6	18	County	34.57%	97.09	Below Average			
Mecklenburg County	3	13	County	36.18%	98.07	Below Average			
Middlesex County	6	18	County	36.69%	98.39	Below Average			
Montgomery County	2	4	County	44.61%	103.27	Above Average			
Nelson County	9	10	County	29.21%	93.79	Low			
New Kent County	4	15	County	54.06%	109.08	High			

Locality	GOVA Region	PDC	Juris- diction	Renter Cost Burden	Renter Cost Burden Score	Renter Cost Burden Category
Newport News City	5	23	City	48.40%	105.60	High
Norfolk City	5	23	County	49.39%	106.21	High
Northampton County	5	22	County	27.86%	92.95	Low
Northumberland County	6	17	County	30.96%	94.86	Low
Norton City	1	1	City	43.91%	102.83	Above Average
Nottoway County	3	14	County	31.19%	95.00	Below Average
Orange County	9	9	County	32.84%	96.02	Below Average
Page County	8	7	County	35.51%	97.66	Below Average
Patrick County	3	12	County	29.74%	94.11	Low
Petersburg City	4	19	City	45.64%	103.90	Above Average
Pittsylvania County	3	12	County	40.77%	100.90	Above Average
Poquoson City	5	23	City	21.56%	89.07	Low
Portsmouth City	5	23	City	51.95%	107.79	High
Powhatan County	4	15	County	40.42%	100.68	Above Average
Prince Edward County	3	14	County	41.03%	101.06	Above Average
Prince George County	4	19	County	42.47%	101.95	Above Average
Prince William County	7	8	County	46.56%	104.46	Above Average
Pulaski County	2	4	County	32.60%	95.87	Below Average
Radford City	2	4	City	47.44%	105.01	High
Rappahannock County	9	9	County	28.71%	93.47	Low
Richmond City	4	15	City	50.21%	106.72	High
Richmond County	6	17	County	32.82%	96.01	Below Average
Roanoke City	2	5	City	44.22%	103.03	Above Average
Roanoke County	2	5	County	42.76%	102.12	Above Average
Rockbridge County	8	6	County	32.83%	96.01	Below Average
Rockingham County	8	6	County	32.24%	95.65	Below Average
Russell County	1	2	County	29.96%	94.25	Low
Salem City	2	5	City	37.80%	99.07	Below Average
Scott County	1	1	County	26.75%	92.27	Low
Shenandoah County	8	7	County	35.78%	97.83	Below Average
Smyth County	1	3	County	39.56%	100.16	Above Average
Southampton County	5	23	County	32.92%	96.07	Below Average
Spotsylvania County	6	16	County	45.61%	103.88	Above Average
Stafford County	6	16	County	43.37%	102.50	Above Average
Staunton City	8	6	City	45.63%	103.90	Above Average
Suffolk City	5	23	City	51.98%	107.80	High
Surry County	4	19	County	31.15%	94.98	Low
Sussex County	4	19	County	38.48%	99.49	Below Average
Tazewell County	1	2	County	33.32%	96.31	Below Average
Virginia Beach City	5	23	City	46.79%	104.61	Above Average
Warren County	8	7	County	37.79%	99.07	Below Average
Washington County	1	3	County	28.28%	93.21	Low

Locality	GOVA Region	PDC	Juris- diction	Renter Cost Burden	Renter Cost Burden Score	Renter Cost Burden Category
Waynesboro City	8	6	City	49.27%	106.14	High
Westmoreland County	6	17	County	42.75%	102.12	Above Average
Williamsburg City	5	23	City	47.49%	105.04	High
Winchester City	8	7	City	43.52%	102.59	Above Average
Wise County	1	1	County	34.16%	96.83	Below Average
Wythe County	1	3	County	28.34%	93.25	Low
York County	5	23	County	45.79%	103.99	Above Average



Glenn Youngkin Governor

Caren Merrick
Secretary of
Commerce and Trade

## COMMONWEALTH of VIRGINIA

Bryan W. Horn Director

# DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

#### **Memorandum**

**To:** Board of Housing and Community Development

**From:** Bryan Horn, DHCD Director

**Subject:** Notice of Intended Regulatory Action – Regulatory Reduction Cycle

Date: January 2024

Executive Directive Number One (2022) directs Executive Branch entities under the authority of the Governor "...to initiate regulatory processes to reduce by at least 25 percent the number of regulations not mandated by federal or state statute, in consultation with the Office of the Attorney General, and in a manner consistent with the laws of the Commonwealth." Additionally, Executive Order 19 (2022) requires every regulatory agency "to review all existing regulations...to reduce the overall regulatory burden on the public."

To comply with these directives, staff requests that the Board authorize staff to initiate regulatory action and prepare NOIRAs for the following regulations:

- Uniform Statewide Building Code (USBC)
- Statewide Fire Prevention Code (SFPC)
- Industrialized Building Safety Regulations (IBSR)
- Virginia Amusement Device Regulations (VADR)
- Manufactured Home Safety Regulations (MHSR)
- Virginia Certification Standards (VCS)
- Standards Governing Operation of Individual and Regional Code Academies (VSIRCA)

The goal of these actions includes the review of discretionary requirements to determine whether such requirements impose burdens that may not be necessary to protect the public health, safety, and welfare; or are not necessary to administer the provisions of the regulations. This regulatory reduction cycle will mirror the transparent and stakeholder intensive process used by the Board during the standard codes update cycle.



