

HB854 Statewide Housing Study

Program Fact Sheet

Vibrant Communities Initiative

Department of Housing and Community Development/Virginia Housing

Note: This fact sheet was created in October 2021. Program details can change regularly. For the most up-to-date information on this program and a program contact, please visit the link below:

[Link to program website](#)

01 Program goals

The Vibrant Community Initiative (VCI) combines multiple funding sources to support local or regional transformational community-based projects including affordable housing and community and/or economic development components.

02 Funding sources

This program is funded mainly by DHCD with Housing Trust Fund resources and by Virginia Housing with REACH funds, which receive a set-aside of Virginia Housing's net revenues. Funding for VCI also includes a portion of DHCD federal CDBG and HOME allocations. In some cases, Virginia Housing permanent financing, Tax Credits, and other resources are leveraged.

03 Governance

The VCI program is administered by the Department of Housing and Community Development in partnership with Virginia Housing. For the allocation of Virginia Housing resources once projects are selected, the designated contact person in Rental (Strategic Lending) will work with

the developer to underwrite the development deal and make recommendations to the Loan Committee.

04 Population served

VCI is intended to be as flexible as possible to support transformative local projects that will provide economic and housing benefits to low-income residents. VCI projects are required to have a housing component targeting individuals and families with low- to moderate- incomes. Preference is given to projects that seek to support individuals with disabilities.

05 How program works

VCI is administered through a two-step application process, with pre-applications submitted to DHCD and an invitation-only application submitted by candidates selected from the pre-applications. Successful VCI applications leverage other federal, state and local resources to make substantial community-wide impact. Efforts must include affordable housing.

06 Program history

Four rounds of application, starting in 2015, have resulted in six projects. Notably, the VCI program has not funded projects annually to date.

07 Program highlights

- The VCI program has funded six projects in the Commonwealth. Each project includes a housing component, resulting in additional affordable housing units in the following communities: Blacksburg, Richmond, Charlottesville, and Newport News.
- A majority of the affordable housing units produced targeted households earning between 30% to 60% AMI.