

BOARD OF HOUSING AND COMMUNITY DEVELOPMENT
Proposed Guidelines for Public Comment

Virginia Private Activity Bond Allocation Guidelines

Local Housing Authority (LHA) Allocation

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1. DEFINITIONS

1.1. Definitions

A. Section 15.2-5000 of the Code of Virginia provides definitions of the following terms and phrases as used in these Guidelines:

- “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.

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"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.

2. PROGRAM OVERVIEW

2.1. 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

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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.

2.2. 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.

2.3. 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.

2.4. Carryforward Allocation

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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.

3. ELIGIBILITY

3.1. 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.

3.2. 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;

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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, 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.

3.3. 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 but no later than December 15. 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

3.4. 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.

4. ADDITIONAL CRITERIA

4.1. 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.

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5. APPLICATION REVIEW AND EVALUATION

5.1. 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 following 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 following 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.

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5.2. 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.

5.3. 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.

5.4. Tiebreaker Criteria

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Should DHCD receive multiple properly completed allocation requests with identical scores that exceed the available allocation for the given application round, DHCD will use a random lottery process to determine which request will receive an allocation.

5.5. Scoring Rubric

<u>Category</u>		<u>Percent</u>	<u>Possible Points</u>
Project Need – 35%			
	Job Creation Activity	10%	10 Points: where projects located in localities with a greater job creation activity/PDC equals a higher score. - 10 points: High Job Creation/PDC - 5 points: Medium Job Creation/PDC - 0 points: No Job Creation/PDC
	Housing Cost Burden	25%	25 Points: where projects located in localities with a higher level of cost burden equals a higher score. - 25 points: High Cost Burden - 20 points: Above Average Cost Burden - 15 points: Below Average Cost Burden - 0 points: Low Cost Burden
Project Readiness – 35%			
	Approved Plan of Development	5%	5 Points: where submission of an approved plan provides 5 points.
	Zoning Document	5%	5 Points: where submission of a document (<i>either demonstrating approved zoning changes or that the project is by-right</i>) provides 5 points.
	Market Analysis Recommendation	10%	10 Points: where submission of a document provides 10 points.
	Construction Contract	5%	5 Points: where presence of a fixed cost and executed construction contract equals a higher score. - 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%	10 Points: where presence of additional Developer Experience can add up to 15 points: - 10 points : 5 or more bond projects in Virginia in the past five calendar years - 5 points: 1-4 bond projects in Virginia in the past five years - 0 points: 0 projects in Virginia in the past five years

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Project Efficiency - 30%			
	Cost per Unit	10%	10 Points: where a higher efficient use of resources (cost) score equals a higher score. - 10 points: 80-100 score - 5 points: 40-79 score - 0 point: 0-39 score
	Other Resources Leveraged*	10%	10 Points; where evidence of more eligible resources leverage equated to a higher score: 10 points: at least 2 other local, state, or federal resources leveraged. 5 points: at least one other local, state, or federal resources leveraged. 0 points: no other resources leveraged. *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 or other similar items.
	Bond Request Size	10%	10 Points: where a lesser proportion of the aggregate basis requested equals a higher score: 10 points: 50.01% - 50.99% aggregate basis requested. 7.5 points: 51% - 51.99% aggregate basis requested. 5 points: 52.00 – 52.99% aggregate basis requested. 2.5 points: 53.00 – 53.99 aggregate basis requested. 0 points: 54.00 – 54.99% aggregate basis requested.
Threshold Criteria		<i>Must be met to receive allocation</i>	
TOTAL		100%	_/100 Points

5.6. 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.

6. 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 and completion of a final 30 day public comment period.

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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 [Virginia Announcements Database](#). Data for local population is from the [Weldon Cooper Center](#) as of July 1, 2022.

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Locality	GOVA Region	PDC	Jurisdiction	Population	New Jobs Created	Category – PDC
Accomack County	5	22	County	32,926	246	High
Albemarle County	9	10	County	115,495	8	Low
Alexandria City	7	8	City	158,128	0	High
Alleghany County	2	5	County	14,898	0	Low
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
Botetourt County	2	5	County	33,510	0	Low
Bristol City	1	3	City	16,803	0	Medium
Brunswick County	3	13	County	15,465	0	High
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
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	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	24,003	0	High
Fairfax County	7	8	County	1,139,755	3237	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

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Franklin County	2	5	County	7,987	0	Low
Fredrick County	8	7	County	94,871	37	Low
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

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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
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	226,967	0	None
Richmond County	6	17	County	9,165	387	High
Roanoke City	2	5	City	99,634	20	Low
Roanoke County	2	5	County	96,605	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

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Locality	GOVA Region	PDC	Jurisdiction	Population	New Jobs Created	Category – PDC
York County	5	23	County	71,491	0	Low

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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 [American Community Survey from 2017-2021](#). “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.

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Locality	GOVA Region	PDC	Jurisdiction	Renter Cost Burden	Renter Cost Burden Score	Renter Cost Burden 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

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Locality	GOVA Region	PDC	Jurisdiction	Renter Cost Burden	Renter Cost Burden Score	Renter Cost Burden Category
Floyd County	2	4	County	36.00%	97.97	Below Average
Fluvanna County	9	10	County	20.11%	88.18	Low
Franklin City	5	23	City	47.31%	104.93	Above Average
Franklin County	2	5	County	36.02%	97.97	Below Average
Fredrick County	8	7	County	36.54%	98.29	Below Average
Fredericksburg City	6	16	City	44.73%	103.34	Above Average
Galax City	1	3	City	39.40%	100.06	Above Average
Giles County	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

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Locality	GOVA Region	PDC	Jurisdiction	Renter Cost Burden	Renter Cost Burden Score	Renter Cost Burden Category
Nelson County	9	10	County	29.21%	93.79	Low
New Kent County	4	15	County	54.06%	109.08	High
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

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Locality	GOVA Region	PDC	Juris-diction	Renter Cost Burden	Renter Cost Burden Score	Renter Cost Burden Category
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
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