

Fiscal Analysis: This impact statement is preliminary. The bill creates a new mixed-income housing loan program and modifies mandatory allocation requirements within the Virginia Housing Trust Fund. These

Department of Planning and Budget
2026 General Assembly Session
State Fiscal Impact Statement

changes expand the scope of Trust Fund administration by establishing detailed eligibility criteria, affordability thresholds, loan caps, and conditional exceptions that increase the complexity of application review, underwriting coordination, and long-term compliance monitoring. The bill also directs that a defined portion of Fund moneys be available for the new loan purpose, requiring DHCD to develop and maintain sufficient eligible projects each funding cycle to meet statutory allocation parameters. This is expected to increase administrative activity related to applicant development, technical assistance, project structuring, and compliance oversight.

Because DHCD administers the state Housing Trust Fund alongside federal Housing Trust Fund and HOME program resources, the revised allocation structure and new loan authority are expected to increase coordination and oversight demands across multiple funding sources, including ensuring consistency with differing affordability, financing, and compliance requirements. Administration of the new mixed-income loan program will require additional staffing and related administrative support. Pursuant to existing statute, reasonable administrative and legal costs associated with Trust Fund activities may be paid from Trust Fund moneys; however, use of Trust Fund resources for administration would reduce the amount available for program loans and grants.

Virginia Housing is self-supporting and does not receive state appropriations.

Other: None.