

1 SENATE BILL NO. 490  
23 AMENDMENT IN THE NATURE OF A SUBSTITUTE  
45 (Proposed by the Senate Committee on General Laws and Technology  
6

7 on \_\_\_\_\_)

8 (Patron Prior to Substitute—Senator VanValkenburg)

9 *A BILL to amend and reenact § 36-139.10 of the Code of Virginia and to amend the Code of Virginia by  
10 adding in Title 36 a chapter numbered 13, consisting of a section numbered 36-176, relating to Virginia  
11 Housing Revolving Loan Fund established; report.*12 **Be it enacted by the General Assembly of Virginia:**13 **1. That § 36-139.10 of the Code of Virginia is amended and reenacted and the Code of Virginia is  
14 amended by adding in Title 36 a chapter numbered 13, consisting of a section numbered 36-176, as  
15 follows:**16 **§ 36-139.10. Department of Housing and Community Development consolidated report.**17 A. As used in this section, "consolidated report" means a report submitted by the Department pursuant to  
18 this section in satisfaction of any reporting requirements of §§ 36-139, 36-139.6, 36-140.01, 36-142, 36-150,  
19 36-176, and 59.1-546.20 B. Notwithstanding any other provision of law, the Department shall be deemed to have satisfied the  
21 reporting requirements of §§ 36-139, 36-139.6, 36-140.01, 36-142, 36-150, and 59.1-546 by submitting a  
22 consolidated report to the Governor and the General Assembly no later than October 1 of each year.23 C. Each year, the consolidated report shall include the reports required pursuant to §§ 36-139, 36-140.01,  
24 36-142, 36-150, 36-176, and 59.1-546 and subsection E.25 D. In even-numbered years, in addition to the requirements of subsection C, the consolidated report shall  
26 also include the report required pursuant to § 36-139.6.27 E. The consolidated report shall include a report on the outcomes associated with closed projects that  
28 received a grant from the Virginia Growth and Opportunity Fund as established by § 2.2-2487. This report  
29 shall include itemized information that details the project name, the Regional Council, GO Virginia  
30 investment type, GO Virginia strategy, program year, date of award, committed match, anticipated project  
31 outcomes, and actual project outcomes. The Department shall utilize the information provided in this report  
32 to create a public facing performance dashboard to be updated annually that includes individual projects  
organized by region, total GO Virginia resources committed to the project, anticipated outcomes, and actual  
outcomes submitted to the Department at the close of the project. This information shall further be  
disaggregated by year and shall feature all projects receiving GO Virginia grants.

33

## CHAPTER 13.

34

## VIRGINIA HOUSING REVOLVING LOAN FUND.

35      **§ 36-176. Virginia Housing Revolving Loan Fund; administration; report.**

36      A. As used in this section:

37      "Department" means the Department of Housing and Community Development.

38      "Eligible entity" means individuals, joint ventures, partnerships, limited partnerships, public bodies, trusts, firms, associations, corporations, cooperatives and condominiums, or other legal entities, or any combination thereof, approved by the Department as qualified either to own, construct, acquire, rehabilitate, operate, manage, or maintain a housing development, whether nonprofit or organized for limited profit, subject to the statutory authority of the Department and other terms and conditions set forth in this chapter.

43      "Fund" means the Virginia Housing Revolving Loan Fund created by this chapter.

44      "HDA" means the Virginia Housing Development Authority created in Chapter 1.2 (§ 36-55.24 et seq.).

45      "Housing project" means any construction or rehabilitation of a property containing both low-to-moderate income residential dwelling units and market rate residential dwelling units that is designed and financed pursuant to the provisions of this chapter for the primary purpose of providing sanitary, decent, and safe dwelling accommodations for persons and families of mixed income in need of housing. "Housing project" may include site preparation activities, including improvements to streets, sewers, utilities, and other such public infrastructure improvements necessary to accommodate the housing project.

51      B. There is hereby established in the state treasury a special permanent, nonreverting loan fund to be known as the Virginia Housing Revolving Loan Fund. The Fund shall be established on the books of the Comptroller. All sums appropriated for such purpose, all receipts to the Fund from loans made by it to eligible entities, and any other sums designated for deposit to the Fund from any source, public or private, shall be paid into the state treasury and credited to the Fund. Interest earned on moneys in the Fund shall remain in the Fund and be credited to it. The Fund shall also consist of such other sums as may be made available to it and shall include federal grants solicited and received for the specific purposes of the Fund. Any sums remaining in the Fund, including interest thereon, at the end of each fiscal year shall not revert to the general fund but shall remain in the Fund. Moneys in the Fund shall be used solely for the purposes of (i) making lower-interest loans to eligible entities that incur costs in the acquisition, construction, or improvement of mixed-income housing projects or for infrastructure needed for site development and readiness for housing projects, (ii) loan origination and servicing costs, and (iii) administration costs.

63      C. The Department shall work in collaboration with the HDA to provide loan origination and servicing

64     activities as needed to carry out the purposes of the Fund. The costs of such services shall be considered an  
65     eligible use of the Fund. The Department shall also, through the HDA, make lower-interest loans to eligible  
66     entities that incur costs in the acquisition, construction, or improvement of mixed-income housing projects or  
67     for infrastructure needed for site development and readiness for housing projects. Such loans shall be  
68     structured to maximize leveraging opportunities. The HDA, in consultation with the Department, shall  
69     determine the terms and conditions of any loan from the Fund, including the interest rate and repayment  
70     terms of each such loan. All such loans shall be repaid to the credit of the Fund. Moneys required by the  
71     HDA to fund such loans and perform loan closing and disbursement services shall be transferred from the  
72     Fund to the HDA.

73       D. The Fund shall be administered and managed by the Department in consultation with the HDA as  
74     prescribed in this chapter. In order to carry out the administration and management of the Fund, the  
75     Department is granted the power to contract with or employ officers, employees, agents, advisors, and  
76     consultants, including, without limitation, attorneys, financial advisors, public accountants, engineers, and  
77     other technical advisors, and, the provisions of any other law to the contrary notwithstanding, to determine  
78     their duties and compensation without the approval of any other agency or instrumentality. The Department  
79     may disburse from the Fund its reasonable costs and expenses incurred in the administration and  
80     management of the Fund, including reasonable fees and costs of the HDA.

81       E. On or before November 1 of each year, the Department and the HDA shall report to the General  
82     Assembly on (i) the total number of awards, including funding amounts, made from the Fund; (ii) the purpose  
83     for which each loan was made; (iii) the financing for each housing project by source; (iv) the number of units  
84     created by income by housing project; (v) the number of units created by rent by housing project; (vi) the  
85     occupancy rate by housing project; and (vii) any other such information deemed appropriate by the  
86     Department and the HDA.

87       F. The Department shall develop, in consultation with the HDA, guidelines and other materials to  
88     facilitate the Fund. The Department, in consultation with the HDA, shall define "low income," "moderate  
89     income," "mixed income," and "mixed-income housing project" in developing such guidelines. The  
90     Department may consider loan cap amounts, loan percentage of total cost of the housing project, income  
91     limits for the affordable housing portion of a housing project, and other considerations to structure the loans  
92     from the Fund.

93       **2. That the provisions of this act shall become effective January 1, 2027.**