



Housing Fund

The Housing Fund, managed by the Office of Housing in the Office of the County Administrator, was established in August 1997 for the purpose of promoting and funding affordable housing in Loudoun County. One of the largest components of the Housing Fund is the Loudoun County Housing Trust.

The Housing Trust Agreement, last revised in July 2017, identifies the permitted sources and uses for the Trust which is targeted to households with incomes between 30 and 70 percent of Area Median Income (AMI). Sources (revenues) include cash proceeds received as the result of a fair market value sale of an Affordable Dwelling Unit (ADU) in accordance with Chapter 1450 of the Loudoun County Codified Ordinances, cash contributions paid by developers as consideration for ADU Program modifications granted by the Board of Supervisors (Board) pursuant to Article 7 of the Zoning Ordinance, cash received from any source for the purpose of furthering the provision of ADUs in Loudoun County, and any other funds designated by the Board for the Trust. Expenditures (uses) involve a variety of County programs and initiatives including the Down Payment and Closing Cost Assistance Program, the Public Employee Grants for Homeownership Program, the ADU Foreclosure Purchase Program, the ADU Purchase Program, and loans to help finance the development of affordable housing units in excess of the number of units required by Article 7 of the Zoning Ordinance as long as these programs meet the income eligibility requirements established by the Zoning Ordinance.

**Housing Fund****Revenues, Expenditures, and Changes in Fund Balance¹**

	FY 2019 Actual ²	FY 2020 Actual ³	FY 2021 Adopted	FY 2022 Proposed	FY 2023 Projected
Beginning Fund Balance	\$39,006,380	\$39,006,380	\$42,373,775	\$42,373,775	\$42,373,775
Revenues					
Use of Money and Property	\$779,212	\$586,614	\$0	\$0	\$0
Miscellaneous Revenue	2,442,075	3,151,049	5,000,000	5,000,000	5,000,000
Recovered Costs	295	501	0	0	0
Total – Revenues	\$3,221,582	\$3,738,164	\$5,000,000	\$5,000,000	\$5,000,000
Expenditures					
Operating and Maintenance	\$102,106	\$370,769	\$5,000,000	\$5,000,000	\$5,000,000
Total – Expenditures	\$102,106	\$370,769	\$5,000,000	\$5,000,000	\$5,000,000
Estimated Ending Fund Balance	\$39,006,380	\$42,373,775	\$42,373,775	\$42,373,775	\$42,373,775
Percent Change	9%	9%	0%	0%	0%
Unavailable Fund Balance⁴	\$14,335,000	\$20,185,000	\$20,185,000	\$20,185,000	\$20,185,000
Available Fund Balance	\$24,671,380	\$22,188,775	\$22,188,775	\$22,188,775	\$22,188,775

The FY 2022 Proposed Budget for the Housing Fund remains at the same level reflected in the FY 2021 Adopted Budget – \$5 million.

Unavailable Fund Balance reflects loans that have been approved as of the end of the respective fiscal year. A summary of the projects for which funds have been reserved is provided below along with the amount of the application for each. Actual amounts disbursed could vary based on actions taken by the Board.

Project	Application Amount	Fiscal Year Approved
Heronview	\$1,100,000	FY 2017
Stone Springs	3,000,000	FY 2018
Ashburn Chase	2,460,000	FY 2018
Poland Hill	1,800,000	FY 2019
Mt. Sterling	5,975,000	FY 2019
Tuscarora Crossing Phase I	5,850,000	FY 2020
Tuscarora Crossing Phase II ⁵	4,500,000	FY 2021

¹ Sums may not equal due to rounding.

² Source: Loudoun County FY 2019 Comprehensive Annual Financial Report (CAFR).

³ Source: Loudoun County FY 2020 CAFR.

⁴ Unavailable Fund Balance includes loans to developers that have been approved by the Board. Future amounts will be determined on an annual basis by the Board as part of the Affordable Multi-Family Housing Loan program.

⁵ The FY 2021 Tuscarora Crossing Phase II application is scheduled for consideration by the Board on February 16, 2021.



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Policies

There are no policies in place for the Housing Fund as a whole, however, the County of Loudoun Housing Trust – a component of the Housing Fund – is regulated by the Trust Agreement. The Housing Trust was last amended in July 2017 to authorize loans from the Trust to be used to help finance affordable housing units, to establish the minimum requirements for affordable housing units, and to update the recital and make other non-substantive clarifying edits to the twenty-year old trust. These changes also align the Trust agreement with the amendments to Article 7 of the Zoning Ordinance that allow for affordable housing units to be substituted for ADUs when a project verifies that it is financed with either the Low Income Housing Tax Credit (LIHTC) Program or the U.S. Department of Housing and Urban Development (HUD) 221 (d) 4 Affordable Program. Substituting affordable housing units that are funded either with LIHTC or HUD 221 (d) 4 Affordable Program eliminates the 30 percent AMI limitation on the lower end of income limits.