



## PRINCE WILLIAM COUNTY AFFORDABLE HOUSING FUND

### Frequently Asked Questions

The Prince William County Affordable Housing Fund (AHF) is a dedicated fund intended to provide flexible gap financing to development projects that will increase the supply and/or preserve affordable housing units in Prince William County and is a part of the Affordable Dwelling Unit Ordinance approved by the Prince William County Board of County Supervisors on June 3, 2025.

#### **1. What is the primary purpose of an Affordable Housing Fund?**

An Affordable Housing Fund is a designated fund to support the creation and preservation of affordable housing, ensuring long-term impact in the housing market and provide non-profit and for-profit developers the gap funding needed to build and/or preserve affordable housing, and provide many different types of housing assistance.

In accordance with the adopted Virginia Code § 15.2-2305.1 Affordable Housing Dwelling Unit Ordinance; The Prince William County AHF primary purpose is to create and promote both affordable rental and home ownership opportunities for households with incomes of 80% or the Area Median Income (AMI) and below as defined by the U.S. Department of Housing and Urban Development (HUD), as adjusted annually.

#### **2. How is the Prince William County AHF funded?**

The Prince William County AHF is funded through County General Fund appropriations made by the Prince William County Board of County Supervisors, which is subject to funds availability and any other sources of revenue as the Board of County Supervisors may appropriate and/or receive from time to time.

#### **3. What activities are eligible through the Prince William County AHF?**

Prince William County AHF will aid in meeting the housing needs of very low-income households (incomes that do not exceed 50% of AMI) and low-income households (incomes that do not exceed 80% AMI) through provision of loans to non-profit and for-profit housing developers and organizations for the creation and preservation of affordable rental and owner-occupied housing.

Affordable Housing units may be multi-family rental units, and single-family owner-occupied housing units.

#### **4. What are noneligible costs/uses of the Prince William County AHF funds?**

Any costs associated with operating expenses, project reserves, hard or soft cost contingencies, developer fees, builder's profit, costs for sale or marketing of units, any construction management or consultant fees, financing fees, and any unit that may be rented or sold at the market rate(s).

#### **5. Who administers the Prince William County AHF?**

The major responsibility of administering Prince William County AHF will be with the Department of Housing and Community Development (OHCD), Affordable Dwelling Unit Division by the Senior Affordable Housing Manager, with oversight by the Director of Housing. Receipt and review and scoring of all applications will begin with OHCD and then in collaboration with a Housing Application Review Team which will consist of staff from OHCD, Planning Office, Office of Management, Budget, Finance Department and Department of Development Services, with consultation with the County Attorney's Office as needed.

**6. What is the estimated amount of funding to be provided per affordable unit?**

Funding will be provided at a maximum rate of \$75,000 per affordable unit, contingent on the demonstrated gap financing needed for the loan and the availability of resources in the AHF.

**7. Do developers have to repay Prince William County AHF for the gap financing they receive?**

Yes, loans will be tied to a Deed of Trust and Promissory Note that will be made to developers with the repayment at a simple interest with a fixed rate of interest guided by the 10-year U.S. Treasury Bill rate, as set 60 days prior to closing of the County loan or closing of the primary loan (first trust lender).

**8. Is there an affordability period required with the use of Prince William County AHF funding?**

Yes, the affordability compliance period will be no less than 15 years and no more than 50 years or until the loan to the County is fully repaid whichever occurs later. Restrictive Covenants along with the Deed of Trust must be recorded among the County's land records of the Circuit Court, which will provide the number of affordable units financed with the AHF program funds

**9. What is the Application Process?**

OHCD will provide a Notice of Funding Availability (NOFA) when there are sufficient funds available to hold a competitive application process. There are designed Scoring Criteria and Guidance provided to Applicants with a total maximum points available through the scoring process.

**10. What is the difference between the Prince William County AHF and other resources and programs that OHCD provides for low-moderate income housing options and housing assistance?**

Prince William County OHCD offers several housing assistance programs for low-moderate income households; to include the Housing Choice Voucher pay rent by providing a monthly subsidy to cover the gap between what the household can afford and the approved rent amount. OHCD also administers a First-Time Homebuyer Program, Rehabilitation Program for both owner occupied and rental units and provides funding to local shelter providers and nonprofits, and faith-based entities providing public services with all programs serving low- moderate income households.