 Partnership for Housing Affordability

Richmond Regional Housing Framework

Issue Brief

**The Low Income Housing Tax Credit Program[[1]](#footnote-1): Town of Ashland**

**Overview/Issue[[2]](#footnote-2) –**

Preservation

**1 LIHTC property**—**40** **units**—will reach year 15 of its affordability period **in the next 5 years**

**2 LIHTC properties—100 units—**will reach year 30 of their affordability period **in the next 12 years.**

* Since the 1980s, nearly all new dedicated affordable apartments are created using the Low-Income Housing Tax Credit (LIHTC) program.[[3]](#footnote-3)
* LIHTC primarily serves persons earning 40% to 80% AMI ($31,120 - $62,200 for a family of 3).
* Each LIHTC property has an expiration date for its affordability of either 15 or 30 years.

**Key Facts –**

* Ashland has 290 LIHTC units (out of 875 total multi-family units.)
* The average LIHTC property is 72 units.

**Policy Recommendations –**

1. Create a system to monitor expiring affordable properties.
2. Community development organizations explore acquisition of expiring affordable housing.
3. Partner with owners to incentivize and ensure that properties do not convert to market-rate.

**Implications –**

* Housing instability places a strain on public resources, requiring social services, courts, and providers to intervene.
* Demand for affordable units far exceeds the amount of LIHTC units produced annually.
* Without preservation, the loss of LIHTC units will result in displacement.

1. The LIHTC properties list was compiled using the Virginia Housing Development Authority and the National Housing Preservation Database. [↑](#footnote-ref-1)
2. Costar Property search was used to help verify the data. [↑](#footnote-ref-2)
3. Urban Institute. 2019. *The Low Income Housing Tax Credit: Past Achievements, Future Challenges* [↑](#footnote-ref-3)