

Response to Questions on the FY 2009 Advertised Budget Plan

Request By: Supervisor Gross

Question: What responsibility does the County have to enforce apartment managers to comply (re: code enforcement issues) in order to get tax credits?

Response: Low-income housing tax credits (LIHTC) are awarded by the Virginia Housing Development Authority (VHDA), which also has primary responsibility for program compliance. VHDA conducts physical inspections of properties prior to award of tax credits and on an annual basis thereafter. Should VHDA receive complaints regarding a property during the year, VHDA will conduct interim inspections and require immediate compliance. Failure to comply with the tax credit program, including code violations that are not corrected, could result in the loss of investor tax credits, not just for the period of noncompliance but potentially for all prior tax credit years. Privately-owned tax credit properties, including all tax credit properties in which the FCRHA has an ownership interest or in which the Board of Supervisors and FCRHA have provided funding, are subject to annual VHDA monitoring.