



Attainable Workforce Housing Performance Grant Applications

Grand Lake Senior Apartments & The Silo Apartments

Housing & Neighborhood Preservation | City Council: Oct. 14, 2025



CITY OF
**VIRGINIA
BEACH**

Why Are We Here?

Provide Overview:

- Housing affordability challenges in Virginia Beach
- Attainable Workforce Housing Performance (AWHP) Grant Program and eligibility requirements
- AWHP Grant requests for Grand Lake Senior Apartments and The Silo Apartments

Housing Affordability Challenges in Virginia Beach

- **One in three households is housing cost-burdened** = About 59,000 spend more than 30% of their income on housing costs
- Median rent in Virginia Beach: \$1,730
 - Income Needed = About \$70,000/year, or \$33/hour, full time
- **Critical concern:** Lack of rental units affordable to very-low-income households, many of whom are employed in the region's top 10 most common occupations.
 - Often bear the burden of high housing costs to remain in the city.

New Program to Help Meet the Need

- **September 2025:** Launched Attainable Workforce Housing Performance (AWHP) Grant Program
 - City of Virginia Beach and City of Virginia Beach Development Authority (VBDA) partnership
- Provides an incentive for private development of safe, quality, affordable multi-family rental housing.
- **Self-sustaining and performance-based:** Annual grants are provided to a developer based on a percentage of the incremental real estate taxes generated by their approved development.

Eligibility Requirements

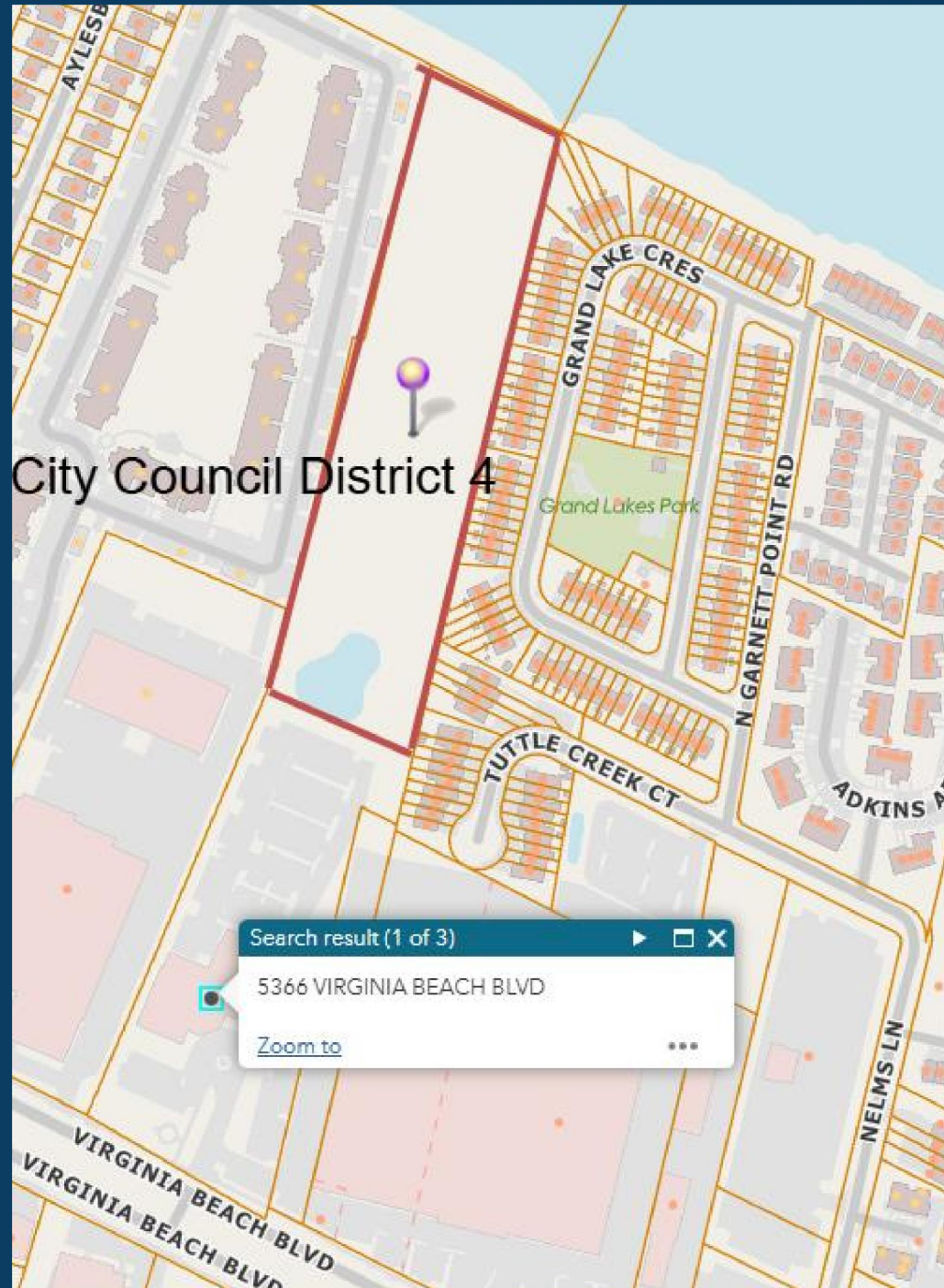
- Must be new construction
- Must be developed by a for-profit entity
- Only new multi-family affordable rental housing units that have not started construction
- Applicants must have a demonstrable gap in project financing, as evidenced by their development and operating pro forma
- May be fully affordable, mixed-income and mixed-use (commercial and residential components)
- Projects that involve the demolition of existing rental housing units are eligible only if they build a minimum of 20% affordable housing units in the new project
- Projects should have their zoning approval or are in the process of obtaining approval through the City's Planning process.

Grant Request 1: Grand Lake Senior Apartments

- 172 senior housing units (age 62+), 100% residential
- Development by Grand Lakes, L.P.; Principal is the Franklin Group Cos.
- New construction on vacant land; no other improvements currently on the property
- Will be developed using Federal Low-Income Housing Tax Credits (LITHC)
- Council approved conditional rezoning: Dec. 10, 2024
- Expected to start construction December 2025
- Funding gap: \$2,150,000

Grand Lake Senior Apartments:

Location and district



Grand Lake Senior Apartments: Affordability

- 100% (172 units) affordable for households whose incomes are, on average, 60% of Area Median Income (AMI).
- 89 of the 172 units (about 52%), will serve households at or below 50% AMI.
- Developer has also indicated project will provide housing to households with maximum annual gross incomes listed below (based on 2025 HUD published AMI), which are based on household size:

Units	Area Median Income	1 Person	2 Person	3 Person	4 Person
19	30%	\$22,380	\$25,560	\$28,770	\$31,950
19	40%	\$29,840	\$34,080	\$38,360	\$42,600
51	50%	\$37,300	\$42,600	\$47,950	\$53,250
14	60%	\$44,760	\$51,120	\$57,540	\$63,900
69	80%	\$59,680	\$68,160	\$76,720	\$85,200
172					

Grand Lake Senior Apartments: Fiscal Impact

- First year grant amount: Estimated at \$188,503 or \$1,096/unit
- Estimate is based on recent assessed values of multi-family affordable housing.
 - Estimated assessed value of project at completion = \$21,278,350
 - Estimated 1st year tax revenue is $(\$21,278,350 / \$100) * 0.97 = \$206,400$
 - FY 25/26 current assessed value of property = \$1,845,000
 - FY 25/26 tax revenue is $\$1,845,000 / \$100 * \$0.97 = \$17,897$
 - 100% of Incremental taxes: $\$206,400 - \$17,897 = \$188,503$
 - Applicant will pay an administrative fee to VBDA of 1% of the annual grant amount

Recommended Grant Agreement Terms

- Recommend following Grant Agreement terms:
 - Base Real Estate Tax amount of \$17,897
 - Annual Grant payment of 100% of the incremental real estate taxes
 - Grant term of 30 years, with 2nd 15 years on condition of capital improvement requirement
 - Capital Improvements of \$10,000/affordable unit, or \$1,720,000 for first 15 years
 - Average income of 60% for the grant term (30 years)

Grant Request 2: The Silo Apartments

- 200 units; 100% residential
- Development by The Silo Apts., L.P.; Principal is the Franklin Group Cos.
- New construction on vacant land; no other improvements currently on the property
- Will be developed using Federal Low Income Housing Tax Credits
- Council approved conditional rezoning: July 8, 2025
- Expected to start construction June 2026
- Funding gap: \$2,775,000

The Silo Apartments

Location and district



The Silo Apartments: Affordability

- 100% (200 units) affordable for households whose incomes are, on average, 60% of AMI.
- Developer has also indicated the project will provide housing for households with incomes at 50% AMI to 80% AMI

- Maximum annual gross incomes are listed below (based on 2025 HUD published AMI), which are based on household size:

Area Median Income	1 Person	2 Person	3 Person	4 Person
50%	\$37,300	\$42,600	\$47,950	\$53,250
60%	\$44,760	\$51,120	\$57,540	\$63,900
70%	\$52,220	\$59,640	\$67,130	\$74,550
80%	\$59,680	\$68,160	\$76,720	\$85,200

The Silo Apartments: Fiscal Impact

- First year grant amount: Estimated at \$216,179 or \$1,081/unit
- Estimate is based on recent assessed values of multi-family affordable housing.
 - Estimated assessed value of project at completion = \$27,216,495
 - Estimated 1st year tax revenue is $(\$27,216,495/\$100) * 0.97 = \$264,400$
 - FY 25/26 current assessed value of property = \$4,930,000
 - FY 25/26 tax revenue is $(\$4,930,000/\$100) * \$0.97 = \$47,821$
 - 100% of Incremental taxes: $\$264,400 - \$47,821 = \$216,179$
 - Applicant will pay an administrative fee to VBDA of 1% of the annual grant amount

Recommended Grant Agreement Terms

- Recommend following Grant Agreement terms:
 - Base Real Estate Tax amount of \$47,821
 - Grant payment of 100% of the incremental real estate taxes
 - Grant term of 30 years, with 2nd 15 years on condition of capital improvement requirement
 - Capital Improvements of \$10,000/affordable unit, or \$2,000,000 for first 15 years
 - Average income of 60% for the grant term (30 years)

Next Steps

- City Council Ordinance: October 21st
- Comments and questions?