



Target Population Leasing Preference Program

Creating Priority Access to
LIHTC Housing in Virginia

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Virginia Housing

Target Population Leasing Preference Program: Creating Priority Access to LIHTC Housing in Virginia Special Needs Housing, Housing for Persons with Special Needs

Brief Description

Virginia faces persistent gaps in access to integrated, affordable rental housing for vulnerable populations, especially individuals with disabilities and those with complex barriers to housing stability. The Commonwealth's 2012 Settlement Agreement with the U.S. Department of Justice affirmed the need for people with Intellectual and Developmental Disabilities (I/DD) to live in the most integrated settings possible, catalyzing systemwide efforts to expand community-based options. In 2019, Virginia Housing expanded its commitment to housing Virginia's most vulnerable populations through the Target Population Leasing Preference.

Virginia Housing's Target Population Leasing Preference (TPLP) ensures that Low-Income Housing Tax Credit (LIHTC) properties give first leasing preference to households referred by approved Referring Agents under a statewide Memorandum of Understanding (MOU). Properties commit a defined share of units — generally 10% of total units (or the greater of five units or 10%) — to people in identified Target Populations and maintain that commitment throughout the Extended Use Period, providing over 30 years of eligibility, habitability and affordability controls. Target Populations include I/DD, serious mental illness (SMI), chronic homelessness and other groups identified by the approved Referring Agents in the MOU.

Why It Was Undertaken

Virginia's priority access policy for LIHTC housing was created to advance the Commonwealth's commitment to ensuring that vulnerable residents, particularly individuals with disabilities, have real, equitable access to affordable, community-based housing. Referrals are now coordinated through approved Referring Agents under a unified statewide MOU, creating a streamlined, consistent pathway for eligible households to access integrated housing opportunities.

Together, these deliberate actions transform a targeted response into a comprehensive, forward-looking housing strategy and expands opportunity, increases supply and promotes independence for this vulnerable population. By strengthening access to affordable housing in integrated settings, the Commonwealth reaffirms its commitment to ensuring that vulnerable Virginians can live stable, self-directed lives in the communities they choose.

What We Accomplished

A coordinated, end-to-end leasing preference system now operates statewide across LIHTC properties:

Proactive Pipeline Alerts | Automated Construction Completion alerts trigger over 60% construction to schedule introductory calls, aligning property teams and Referring Agents well before pre-leasing.

Partner Introductions and Onboarding | Standardized introductory communication using email, phone calls and virtual meetings that outline requirements, confirm points of contact and set expectations for ongoing communications and unit marketing. Post-call follow-ups provide resources and next steps.

Regular Portfolio Communications | This structured monthly coordination call with Referring Agents and quarterly communications to properties reinforce compliance, training completion and vacancy marketing until unit commitments are met and maintained.

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Tenant-Centered Practice | Virginia Housing’s tenant-centered approach ensures that properties adopt lower-barrier, equitable tenant selection practices that align with Fair Housing, the Americans with Disabilities Act (ADA) and Section 504 requirements, while supporting long-term tenancy through coordinated services. Program guidance emphasizes robust, reasonable accommodation processes and a commitment to screening-in rather than screening-out, requiring Tenant Selection Plans to incorporate individualized assessments and low-threshold admission policies. Together, these practices remove unnecessary barriers, expand access to integrated housing options for the target population and promote stable, successful tenancies.

Vacancy Loss Reimbursement | To reduce the financial strain on units held by the Referring Agent for tenant referrals, Virginia Housing provides funds for unit vacancy loss rent reimbursement equal to 80% of the rent for rent-ready units when a Referring Agent requests a unit hold for an identified referral, regardless of whether the referral ultimately moves in.

Long-Term Commitment | Target Population Leasing Preference is integrated into routine compliance monitoring, with clearly defined workflows and documented data system standards, as required in the LIHTC Extended Use Agreement (EUA).

Alternative Marketing Procedures | When traditional referral marketing is temporarily impractical due to conflicting program requirements, a lack of rental assistance or limited case management support in the locality, properties can receive Alternative Marketing approval to maintain compliance and preserve the unit commitment.

Why It Is Meritorious and Meets NCSHA Award Judging Criteria

Strengthening Housing Stability for Those Who Need It Most

Equity and Access Embedded in Operations | Tenant selection guidance and reasonable accommodation frameworks help remove common barriers (e.g., documentation timelines, criminal history criteria, support during applications) improving successful tenancy outcomes.

Streamlined Coordination, Improved Placements | Automated construction status alerts, standardized introductory processes and regimented portfolio communications reduce friction and delays across properties and agencies, all while supporting matches between eligible households and available units.

Reduced Financial Risk During Leasing | The Vacancy Loss Reimbursement enables property managers to honor the leasing preference without incurring undue vacancy loss, especially when coordination is complex or move-ins require additional preparation time.

Demonstrates Effective Use of Resources

Target Population Leasing Preference leverages existing systems and cross-sector partnerships to amplify impact, filling the gap to housing Virginia’s most vulnerable individuals.

Systems-First Approach | High-functioning systems are used to coordinate, prioritize and manage resident referrals, reporting outcomes and documenting transparency throughout the process.

Coordinated and automated systems help to:

- Keep the Referring Agent, property operations and compliance teams aligned with the program expectations.

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- Verify the supply of available/accessible units to connect with eligible resident referrals.
- Confirm rental assistance for extremely low-income and low-income eligible individuals.
- Connect with flexible and responsive tenancy support services in the locality.
- Monitor and lead oversight procedures for referral activities and continuous quality improvement.

Interagency Collaboration | The statewide MOU model centralizes referral authority with approved Referring Agents, streamlining who sends referrals, how unit holds are requested and what documentation is needed to verify target population status and support compliance.

Achieve Strategic Objectives

The Leasing Preference program advances Virginia Housing's Strategic Plan to:

1. New Inventory and Preservation

By formalizing Target Population Leasing Preference practices, Virginia Housing increases the number of units produced for the target population. It strengthens operational alignment across owners, managers and agencies enhancing the resilience, stability and responsiveness of the Rental Housing system.

2. Statewide Targeted Investment to Support Unaddressed Needs

Target Population Leasing Preference directly targets households with the greatest barriers to housing access (I/DD, SMI, chronic homelessness) and ensures priority access to LIHTC units across the state.

Conclusion

A commitment to housing is both present and enduring. It requires listening to community needs, applying continuous improvement to strengthen partnerships and expanding access to quality, affordable, safe and accessible housing. Target Population Leasing Preference has transformed how Virginia connects our most vulnerable residents to affordable, accessible, community-based housing. By embedding a first leasing preference into our LIHTC policy, codifying repeatable portfolio workflows and backing owners with Vacancy Loss Reimbursement, Virginia Housing delivers an equitable, scalable and sustainable model that other states can replicate. The result is a stronger housing ecosystem, quicker placements and improved tenancy outcomes for the Commonwealth's most vulnerable residents.