West Virginia Land Redevelopment Initiative
Program Guide

Program Purpose

The West Virginia Land Redevelopment Initiative (WVLRI or Program) provides a flexible source of funding for the demolition of vacant and dilapidated structures. These structures present a health and safety hazard and are a source of blight, preventing housing and economic development.

Program funding will provide forgivable loans to finance the demolition of vacant and dilapidated structures on properties that have an immediate redevelopment plan to promote housing development and/or economic development.

Eligible Properties

Eligible properties must be vacant and qualify for condemnation under applicable, ordinances, laws and regulations.

Eligible Borrowers

- Cities
- Counties
- Units of local government, including but not limited to the following:
    - Development authorities
    - County commissions
    - Regional planning and development councils
- Eligible government entity borrowers partnering with for-profit and nonprofit developers

Eligible Borrowers must comply with all applicable state and local laws and requirements and have the license, authority, and power to acquire and/or demolish the structures. Eligible Borrowers must also have the authority to enter into a binding debt obligation for the term of the loan.

Ineligible Borrowers

The West Virginia Housing Development Fund ("WVHDF") reserves the right to disqualify any applicant based on a variety of factors, including, but not limited to, the following:

- HUD's Excluded Parties list
- Delinquencies of 30 days on two or more occasions during the previous 12 months, or delinquencies of 60 days on one or more occasion(s) during the previous 12 months on any WVHDF loan
- Uncured default on any WVHDF loan
- Foreclosure within the past 10 years on any WVHDF loan
- Unresolved material audit findings, particularly related to funds management or compliance with federal program requirements, during the most recent three-year period
- Issues of non-compliance with the WVHDF that continue to be unresolved after the end of the correction period, and continue to be unresolved at the time any such proposed loan is under

consideration, or a history of repeated compliance issues
- Adverse public findings

Eligible Uses
- Acquisition of property to be demolished
- Demolition of residential and/or commercial structures
- Removal and proper disposal of all debris, including hazardous materials
- Pre-demolition costs such as surveys, title searches and supplemental work associated with demolition
- Site preparation costs for immediate redevelopment of new residential and/or commercial structures as approved by the WVHDF (this does not include any vertical construction costs)
- Site preparation costs for immediate redevelopment of community-enhancing public spaces
- Other eligible uses as approved by the WVHDF

Program Cycle
The WVLRI will operate on a three-year cycle. The WVLRI has a total of up to $17.5 million, which will be allocated through annual request for proposals (RFP). Annual awards are expected to be made available beginning in 2027 and through 2029. Program and allocation adjustments may be made by the WVHDF and will be announced through RFPs and program guides.

Application Process
Applications and proposals for forgivable loans will be available in accordance with term sheets subject to the application periods, evaluation criteria and requirements for submission set forth in RFPs. The RFPs will be issued annually and subject to available funding by the WVHDF.

Review Process
All projects will be reviewed to ensure that they are consistent with the objectives of the WVLRI and that the feasibility and capacity of the applicant and proposed project are adequate. Proposals will be reviewed, scored, and selected on a competitive basis, as outlined in the RFP.

The WVHDF Executive Director has the authority to approve loan and funding requests up to $300,000 on a cumulative basis of all awards from the WVHDF to a project. Awards greater than $300,000 must be approved by the WVHDF Board of Directors.

Loan Terms
It is anticipated that Program loan amounts may not exceed $500,000 per eligible project, unless otherwise approved by the WVHDF. Additional loans will not be considered until the eligible borrower has fully expended any previously approved loan.

Borrowers will have 36 months from award to complete the project, with a 12-month draw period and 24 months for redevelopment. Loans will be provided at 0% interest. The awards will be forgiven if the project is completed, which includes both demolition and redevelopment. Repayment is required if program funds are not used in accordance with the Fund's loan documents.

Collateral

It is anticipated that the WVHDF will place a lien on all properties approved for demolition under this Program. Other collateral may be required as determined by the Fund.

Conflict of Interest

No member of the governing body of an applicant and no other official, employee, or agent of the applicant who exercises policy or decision-making functions shall directly or indirectly personally benefit from the WVLRI loan. Failure to comply with this provision will be considered a loan default and will require immediate loan repayment. Any questions regarding conflict of interest should be directed to the WVHDF.

Disclaimers

Deviations from program requirements are subject to Board approval. The WVHDF reserves the right to share program loan information with other entities providing funding to the same project and reserves the right to accept or reject any application. Generally, proposals for projects located in a flood zone will not be considered unless acceptable flood mitigation measures are included in the project proposal, however flood mitigation measures may not be paid by WVLRI program funds. The applicant shall not discriminate on any basis prohibited by law.