Office of Communications and Community Engagement
Noel C. Taylor Municipal Building
215 Church Avenue, SW, Room 357
Roanoke, Virginia 24011
540-853-1007
communityengagement@roanokeva.gov

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Roanoke EDA Commits $225,000 to Support Affordable Housing Efforts

The City of Roanoke Economic Development Authority (EDA) has committed $225,000 of its operating funds to the Roanoke Workforce Housing Development Fund in an effort to increase the availability of affordable housing in the City.

Established in December 2023 with an initial $2 million from the American Rescue Plan Act funds, the Roanoke Workforce Housing Development Fund will provide low-interest loans to housing developers, with the condition that at least 20 percent of the units in the new developments must be affordable for families earning earn no more than 60 percent of the area's median income. Additionally, these housing units must remain affordable for 20 years.

"We believe that housing for everyone is a crucial component of economic development," EDA Chair Braxton Naff said. "A community cannot attract companies and workers if there is insufficient housing stock available."

A 2021 study by Virginia Tech's Institute for Policy and Governance and the Virginia Center for Housing research showed not only a lack of 4,500 housing units in Roanoke but also revealed that over half of the city's renters are cost-burdened, spending more than 30 percent of their income on housing. According to federal definitions, housing is considered affordable if housing costs, including utilities, do not exceed 30 percent of a household's gross income.

Administered by Business Seed Capital Inc., a program of the Roanoke-based nonprofit Total Action for Progress (TAP), the fund leverages investments from the EDA and the City with other funding sources.

The EDA was chartered through state law to support economic development opportunities in Roanoke. Working closely with the city's Department of Economic Development, the EDA helps create opportunities for businesses and residents, fostering a thriving community.

For more information, visit: Entrepreneur & Business Start-up Assistance | Total Action for Progress (tapintohope.org)

For media inquiries, contact: communityengagement@roanokeva.gov