

**2014 Entry Form**  
(Complete one for each entry.)

Fill out the entry name <i>exactly</i> as you want it listed in the program.
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Entry Name **VHDA's Community Transformation Initiative**

HFA **Virginia Housing Development Authority**

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Qualified Entries must be received by **Tuesday, July 1, 2014.**

For more information about Qualified Entries, [click here to access the 2014 Entry Rules.](#)

Use this header on the upper right corner of each page.

HFA **Virginia Housing Development Authority**

Entry Name **VHDA's Community Transformation Initiative**

Communications	Homeownership	Legislative Advocacy	Management Innovation
<input type="checkbox"/> Annual Report <input type="checkbox"/> Promotional Materials and Newsletters <input type="checkbox"/> Creative Media	<input type="checkbox"/> Empowering New Buyers <input type="checkbox"/> Home Improvement and Rehabilitation <input type="checkbox"/> Encouraging New Production	<input type="checkbox"/> Federal Advocacy <input type="checkbox"/> State Advocacy	<input type="checkbox"/> Financial <input type="checkbox"/> Human Resources <input type="checkbox"/> Operations <input type="checkbox"/> Technology
Rental Housing	Special Needs Housing	Special Achievement	Are you providing visual aids?
<input type="checkbox"/> Multifamily Management <input type="checkbox"/> Preservation and Rehabilitation <input checked="" type="checkbox"/> Encouraging New Production	<input type="checkbox"/> Combating Homelessness <input type="checkbox"/> Housing for Persons with Special Needs	<input type="checkbox"/> Special Achievement	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO

## Virginia Housing Development Authority VHDA's Community Transformation Initiative

*"The partnership between the City of Roanoke, VHDA and the development community has created a new level of energy in our downtown, resulting in a vibrancy that can be experienced during the workday, evenings and the weekend. It's a downtown that provides the broadest range of activity and opportunity possible to the residents of the city and the Roanoke Valley."*

*Roanoke City Manager Christopher Morrill*

### **Brief Description of VHDA's Community Transformation Initiative**

Across the country, trends continue to emphasize communities featuring mixed-use/mixed-income (MUMI) developments. Such developments not only promote diversity by providing housing for a variety of income groups, they bring neighborhoods back to life by incorporating an assortment of uses within the communities.

VHDA's Community Transformation Initiative helps localities plan successful revitalization projects through training, grants, and financing. This enables localities and developers to utilize various funding sources in order to curb costs.

VHDA offers two-day revitalization training, which allows practitioners to learn about the key aspects of revitalizing a community. In addition, VHDA offers a planning grant for MUMI development opportunities. Localities are awarded up to \$20,000 to pursue a project that includes elements of mixed-use and/or mixed-income developments.

The final component includes a MUMI financing option. Projects eligible for financing under the program include newly constructed developments supporting local urban redevelopment efforts and the rehabilitation of existing structures to expand mixed-income homeownership and rental opportunities as part of local neighborhood revitalization. Developments must be built to accommodate an economic mix of residents, with a minimum of 20 percent of units targeted at 80% of area median income (AMI), and another 20 percent targeted at 120 percent of AMI.

### **Why it was undertaken**

VHDA requested legislation in the General Assembly to authorize the Authority to finance MUMI projects. This legislative request was based on a need for long-term, permanent fixed financing for MUMI developments, particularly in locally designated rehabilitation areas.

### **What VHDA has accomplished**

To date, VHDA has provided training to 174 participants in the housing and planning disciplines. Also, 41 MUMI grants have been awarded across the state, and VHDA has financed over 75 projects for MUMI developments. Each element of the program has been beneficial to localities, especially when leveraged with assistance from other housing development groups and/or the community's local resources. The Lofts on Jefferson in Newport News, the H.L. Jackson Building in Blackstone, and The Hancock Building in Roanoke are a few examples that showcase how VHDA's initiative helps transform these once blighted downtown corridors.

### The Lofts on Jefferson

A vacant building just a few years ago, the Roam Building, located in downtown Newport News, is now a vibrant MUMI development. The Newport News Redevelopment and Housing Authority purchased the 3-story building with the goal of preserving and renovating it for reuses compatible with the revitalization of Jefferson Avenue and the surrounding area. NNRHA utilized all three of VHDA's planning aspects – training, planning grant, and funding. Planning

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grant funds were used to create a plan for the preservation and reuse of the historic Roam Building, which now includes 14 affordable rental units. The building is complete, and the grand opening took place on May 8<sup>th</sup>, 2014.

This development is a true catalyst for further development along the Jefferson Avenue corridor. In addition, the City of Newport News will install underground utility lines; add new streetscaping with designated on-street parking; and add landscaped sidewalks, street trees, and furniture.

### H.L. Jackson Building

Once part of a blighted area in downtown Blackstone, Virginia, the H.L. Jackson Building has now been transformed into a vibrant MUMI development. The Town of Blackstone identified a need to revitalize their downtown corridor and approached VHDA with an interest in the MUMI planning grant to fund the necessary engineering analysis for the building. This study was essential in being able to attract investment to the building. Without the grant, H.L. Jackson would have remained vacant, having a detrimental effect on area-wide revitalization efforts. Today, the H.L. Jackson Building is completely renovated.

### The Hancock Building

The interest in renovating The Hancock Building was due to the insufficient amount of quality, affordable housing in Roanoke. The downtown Roanoke area was an ideal locality to employ VHDA's program – it helped produce more affordable housing while revitalizing a historic landmark. The adaptive re-use of this historic building could not have been possible without the partnership between the developers, the City of Roanoke, and Roanoke Redevelopment & Housing through the MUMI financing option.

The large building offers 58 rental apartments with office space on the bottom floor. Thirty percent of the apartment units will be preserved as affordable housing for persons making 80 percent or less of the AMI, while the remaining units will not have income restrictions.

Without VHDA's creative financing along with the City of Roanoke's economic development grant, The Hancock Building would have become a traditional market rate for-sale condominium project with no affordable housing component.

## **Why it is Meritorious and Meets NCSHA Award Judging Criteria**

### Innovative

VHDA's Community Transformation Initiative is innovative because it allows flexibility in meeting the needs of local governments and their partners in pursuing MUMI developments. As such, it supports an array of projects, from those focusing on a broader revitalization area to those looking at the feasibility of redevelopment for a specific property.

### Replicable

Any HFA that provides long-term, permanent financing for housing developments and has strong partnerships with local governments can replicate this program.

### Addresses a state housing need

There is a substantial need for affordable housing in Virginia. The guidelines for the MUMI financing option state that 20 percent of the units must be set aside for affordable housing, with the remaining units being non-income restricted. In order to address the challenges found within communities, the goals of the initiative include advocating for people to live closer to the

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goods and services needed on a day-to-day basis; creating pedestrian friendly neighborhoods that can serve diverse populations; and revitalizing existing corridors.

### Demonstrate measurable benefits to HFA targeted customers

VHDA's initiative provides benefits to two targeted customers:

1. Localities: it provides funding to localities having aspirations of incorporating MUMI developments into their urban corridors; and
2. Renter Households: it enables the production of new affordable rental units located in desirable locations close to work, amenities, and entertainment centers.

### Proven track record of success

The Lofts on Jefferson, the H.L. Jackson Building, and the Hancock Building were completed with multiple funding resources. VHDA's program provided the initial funding to help revitalize these historic downtown corridors through the creation of new affordable and market-rate multifamily units.

### Benefits that outweigh the costs

VHDA's grant funding has proven to be very beneficial to localities, especially when leveraged with assistance from other housing development groups and/or the community's local resources.

### Demonstrate effective use of resources

Currently, many localities and housing authorities in Virginia lack sufficient capacity to envision and implement MUMI strategies. VHDA's broad, multi-faceted initiative includes training, planning grants, and project financing for localities and housing authorities engaged in planning and development.

### Effectively employs partnerships

The MUMI program is built around partnerships with local governments to achieve mutual objectives. It also creates an opportunity for developers and stakeholders to find common ground with local governments and build partnerships which lead to stronger developments.

### Achieve strategic objectives

The initiative supports VHDA's strategic goals of increasing affordable housing and viable communities and it builds local support for affordable housing production.

### Conclusion

MUMI developments bring positive changes to areas once blighted by unused buildings and underused downtown real estate. Due to VHDA's Community Transformation Initiative, communities are being developed that might never have been revitalized. We have showcased only three of the many projects that have taken advantage of VHDA's programs, but many other localities have already made their visions for revitalization a reality through this initiative. VHDA looks forward to helping create even more positive neighborhoods through this initiative in the future.

**Please see examples of developments assisted by  
VHDA's Community Transformation Initiative below:**

**Virginia Housing Development Authority  
VHDA's Community Transformation Initiative**

**The Hancock Building in Roanoke, VA (before)**



**The Hancock Building in Roanoke, VA  
(after)**



**Virginia Housing Development Authority  
VHDA's Community Transformation Initiative**

**The Lofts on Jefferson in Newport News, VA (before)**



**The Lofts on Jefferson in Newport News, VA (after)**

