

2014 Entry Form
(Complete one for each entry.)

Fill out the entry name *exactly* as you want it listed in the program.

Entry Name **Virginia Housing Trust Fund Campaign**

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**

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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 checked="" 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 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 Virginia Housing Trust Fund Campaign

“The Housing Trust Fund is critical to providing affordable housing to Virginians all across the Commonwealth,” said Delegate Alfonso Lopez, a leading advocate for affordable housing in the General Assembly and the lead sponsor of the legislation that created the Housing Trust Fund. “I am extraordinarily appreciative of all the work that VHDA does. Also, I will never forget the incredible work they did to help get the legislation creating the Housing Trust Fund (HB 2005) passed.”

Alfonso H. Lopez, Member, Virginia House of Delegates

Brief Description

On average, in Virginia, a worker earning minimum wage would have to work approximately 97 hours per week to afford a 1-bedroom apartment, according to research by the National Low Income Housing Coalition. In recognition of the increasing cost of quality housing, and the challenges associated with financing construction and operation of supportive housing, the creation of a Housing Trust Fund was a key recommendation of Virginia’s Statewide Housing Policy Initiative. The Housing Trust Fund Campaign was established by key affordable housing organizations, with the direct support of the Virginia Housing Development Authority (VHDA) and the Department of Housing and Community Development (DHCD) to increase access by Virginians to affordable housing options.

The Campaign engaged stakeholders in numerous ways, including sponsoring a webinar, “Help Build a Housing Trust Fund,” to attract advocates, providers, policymakers, consumers and industry representatives from across the state to learn about the basics of a housing trust fund and to express their views through online surveys and other tools. This allowed participants to have a voice in the creation and implementation of the fund and how it could best address Virginia’s housing needs.

Why/When it was undertaken

Housing is a priority in Virginia as evidenced by Executive Order Number 10 outlining the need for a clear and consistent housing policy. The initiative was the first Executive Branch effort to craft a comprehensive, state-level housing policy in Virginia, and one of its key recommendations was the creation of a Housing Trust Fund for Virginia. The Virginia Housing Trust Fund Campaign was a success and resulted in the creation of the Virginia Housing Trust Fund. The recent recession and ensuing structural shifts in the economy changed the dimensions and character of Virginia’s housing needs, and they continue to challenge many citizens and communities. Increasingly, issues related to affordability – particularly for lower-income households and, especially, renters – have become the most pressing. Those spending more than 30 percent of income for gross rent (rent plus utility and fuel costs) are considered moderately cost-burdened; households spending more than 50 percent are considered severely burdened.

In reviewing data, *Housing Virginia*, a statewide partnership of public and private organizations committed to high quality affordable housing, noted just over 50 percent of all renters – slightly higher than the national level – are cost burdened. Nearly three-quarters of extremely low-income households (households at or below 30 percent of the applicable area median income) are cost burdened and over three-fifths of this population faces extreme cost burdens, paying over 50 percent of household income for shelter. Additionally, the continuing decline in home ownership has increased pressure on the rental market. Although rents flattened early in the recession, the recent trend and most forecasts are for rent levels to increase significantly and remain high in the near future.

What it has accomplished

The Virginia Housing Trust Fund has current funding of \$7,000,000. At least 80 percent of the Fund is being used to reduce the cost of homeownership and rental housing while up to 20 percent is being used to provide grants for targeted efforts to reduce homelessness. Currently more than \$5,300,000 has been allocated to 8 separate rental housing developments throughout the state for a total of **295 low income units being created**. The funded developments cross the state and run the gamut – new construction and rehabilitation, family and SRO, and some focusing on the chronically homeless and disabled. These developments include:

- Crescent Square – Virginia Beach, 80 new construction units targeting the chronically homeless
- Upper Street – Danville, 13 adaptive reuse units also leveraging Historic Tax Credits and HOME funding

Virginia Housing Development Authority Virginia Housing Trust Fund Campaign

- Studios II – Richmond, 39 accessible rehab units for the disabled also receiving Low Income Housing Tax Credits and VHDA's SPARC low interest rate loan

Of the total economic impact, \$572.9 million is direct spending by the housing trust fund investment, with direct jobs reaching 2,877 over the ten years. Additionally, \$1 million was added to the \$7 million allocated to the Housing Trust Fund from the National Mortgage Settlement last year for use in the first round of projects.

Why it is Meritorious and Meets NCSHA Award Judging Criteria

Advances the overall mission of the agency

VHDA's mission is to help Virginians attain quality, affordable housing. Two of our cornerstone programs – the Low Income Housing Tax Credits (LIHTC) and the Sponsoring Partnership and Revitalizing Communities (SPARC) low interest rate rental housing loan program – are being leveraged in conjunction with the Housing Trust Fund (HTF) dollars to make otherwise undoable deals doable. Of the 295 multifamily units being created through the HTF program this year, 276 are receiving LIHTC, and 197 are receiving SPARC, further solidifying VHDA's role in the implementation of the program.

Innovative

VHDA has been innovative in working with affordable housing advocates, industry groups and the Administration to maintain close communication on housing needs and the benefits of the Housing Trust Fund. Reliance on traditional methods of coalition building and legislative lobbying may not have resulted in success. The Campaign enabled VHDA and DHCD to build strong support for the Housing Trust Fund and be successful in its passage.

Replicable

VHDA has demonstrated that HFAs can exercise leadership in supporting and facilitating these kinds of campaigns on issues of importance related to affordable housing. Additionally, VHDA has positioned itself to play a key role in the implementation of the multifamily Trust Fund dollars. Any other HFA can replicate this model.

Demonstrates coalition building

The statewide Housing Trust Fund Campaign was a coalition of five major statewide housing organizations and was strongly supported by the VHDA and DHCD. DHCD collaborated with VHDA and the Virginia Housing Coalition in soliciting public input on the structure and uses of the Trust Fund. Seven input sessions in six localities drew more than 250 interested citizens and housing advocates with a variety of perspectives from various backgrounds.

Forges effective relationships with state and/or federal legislators

The initiative forged effective relationships with the bill patrons and other key General Assembly leadership to favorably consider and review the bill. These patrons have attended Trust Fund meetings to explain the intent of the bill and why it is important to them and their constituents. In addition, VHDA leadership have been in touch with their state legislative offices on a regular basis regarding the Trust Fund.

Achieves strategic objectives

One of VHDA's key strategic objectives is to help low- and moderate-income households achieve and sustain homeownership. As a result of the Great Recession, a growing number of the households do not have access to affordable housing. The Housing Trust Fund is assisting in bridging this critical gap. Initiatives undertaken to achieve former Governor McDonnell's goals for reducing homelessness, as well as providing units for people with intellectual disabilities in concert with Housing and Urban Development and the Department of Justice are also furthered by the creation of the Housing Trust Fund, and VHDA will be assisting with this implementation.

Anticipates, identifies, and prioritizes legislative issues

We have anticipated legislative issues in the bill that the Campaign itself has brought forward, and we have also been able to effectively respond to the priorities of the legislature, which were identified. The Campaign is the means through which a balanced group of stakeholders reached consensus on the priorities and their possible solutions.

Virginia Housing Development Authority Virginia Housing Trust Fund Campaign

The Trust Fund allocations, and the developments created or renovated as a result, provide hard numbers on how such a program and funding can be utilized to make a real difference in the lives of low income Virginians.

Reach target audiences

The Trust Fund reaches targeted audiences by providing affordable rental housing, down payment and closing cost assistance for homebuyers, offering short, medium, and long term loans, providing housing stabilization services and temporary rental assistance, offering mortgage foreclosure counseling, and providing pre-development assistance for permanent supportive housing and long-term housing options for the homeless.

Employ analytical skills to anticipate and identify the potential ramifications of issues

The Campaign released a report entitled, "The Economic Impact of a Housing Trust Fund on the Virginia Economy," which supported findings from similar studies and identified two phases of potential impact: the one-time impact resulting from construction activities created by the support of the fund and the ongoing operations tied to housing (infrastructure) stock due to the trust fund's implementation. The report was instrumental in the success of the Campaign.

Provide benefits that outweigh costs

The indirect impact will total \$228.5 million and support 1,562 jobs during the construction phase in industries supporting construction, such as site preparation and truck transportation. The induced impact is expected to total \$220.8 million with 1,454 jobs in the state during the construction period, benefitting firms in consumer service-related industries such as restaurants, hospitals, and retail stores. During the ten year period, the annual average impact from construction activities will be \$92.9 million in Virginia, supporting 536 jobs per year.

Demonstrates effective use of resources

The budget direction stressed the importance of requiring opportunities for leveraging and providing flexibility in loan products, which is evidenced in the funded developments. Deals are being completed utilizing HOME and CDBG funds, LIHTC, and Historic Tax Credits, Federal Home Loan Bank dollars as well as grants from both private and public sources. According to Allison Bogdanovic, Executive Director of Virginia Supportive Housing, "The combination of Trust Fund dollars, LIHTC equity and SPARC loans allows us to do what we do best – create permanent supportive housing to end homelessness in Virginia."

Conclusion

The issues associated with achieving quality, affordable housing are undeniable and the highly successful Campaign provided a forum for discussion of these issues and saw the creation of the Virginia Housing Trust Fund as a result. VHDA has been in integral part of the process, from facilitating stakeholder forums to providing guidance on specific allocations and now managing all of the legal and servicing portions of the multifamily portion of the Trust Fund. Currently, a total of 295 affordable units have been created through the Trust Fund, and the fund is estimated to support over 5,300 jobs in the construction and service-related industries during the next 10 years.

As the housing finance agency for Virginia, a leader in the industry and a key player in the creation and administration of the Virginia Housing Trust Fund, VHDA is poised to have a tremendous impact on the outcomes of the program and in the lives of the Virginians it serves.

Please Click on Attachments: [Housing Policy Framework for the Commonwealth of Virginia](#); [Virginia Housing Trust Fund Structure and Use Plan](#); [Trust Fund Enacted into the Code of Virginia](#); [2013 Virginia Housing Trust Fund Report on Project Awards and Impacts](#).