

# The History of VHDA

- In 1972, VHDA was created as part of a comprehensive package of legislative initiatives developed by the Virginia Housing Commission. The commission's purpose was to address the state's serious housing needs.
- At the time, one-third of Virginia's housing was classified as substandard – either lacking adequate plumbing and heating or in dire need of rehabilitation and repair. Virginia lacked a sufficient supply of decent housing that residents could afford to rent or buy. In fact, the housing availability was a growing national concern as states considered their ability to provide affordable housing for the burgeoning baby boomers.
- Following a legislative act introduced by Del. Alan Diamonstein, VHDA was created with an initial appropriation of \$300,000. VHDA used \$185,000 of that money and less than three years later, repaid the full amount to the commonwealth.
- In 1973, VHDA's first bond issue to support its rental development loan programs generated \$53 million.
- Similarly, a second bond issuance in 1974 generated \$59 million to support VHDA's homeownership loan programs.
- Through June 30, 2001, VHDA has financed 125,147 homes representing \$8.34 billion and 74,488 rental units representing \$2.40 billion.
- VHDA has remained self-supporting and relies on proceeds from the sale of tax-exempt and taxable bond programs to fund its lending programs.
- Today, VHDA acts as a catalyst for developing and offering creative lending products, strategic partnerships and education/outreach programs that create more affordable housing opportunities for everyday people, such as teachers, firefighters, police officers, nurses, and government and service industry workers.
- Critical to VHDA's business are the many strategic partnerships it has formed to serve the diverse and changing needs of low- and moderate-income Virginians. VHDA and other leaders in the industry realize affordable housing is beyond the scope of any one organization or group to solve. As a result, VHDA works with its strategic partners to maximize the financial and human resources of the industry to serve as many housing needs as possible.

*VHDA was created to help make housing more affordable for the state's low- and moderate-income residents. VHDA was formed to be a magnet to attract low-cost mortgage capital by becoming a vehicle for using the private purpose, tax-exempt revenue bonds that the federal Internal Revenue Code provides to states.*

