

VHDA'S FY2014-2016 STRATEGIC PLAN

*Goals, Strategies,
Outcomes*

VHDA's Strategic Direction and Priorities

For 40 years, VHDA has effectively and efficiently used investor capital along with public sector resources and authorities to increase affordable housing opportunities for Virginians and support viable local communities. Success has required a long-term financial focus that balances addressing immediate housing needs with our ongoing capacity to serve as a provider of affordable housing financing, assistance and services. Likewise, our success has required flexibility and innovation in order to respond to changes in the structure and operation of capital markets, shifts in federal, state and local housing programs and capacities, and ongoing changes in unmet housing needs. Finally, our success has been predicated on building and sustaining organizational capacity and key industry and community partnerships that enable us to effectively and efficiently deliver our programs and services.

Today, as we strategically look forward over the next several years, we see significant challenges and opportunities to our ongoing success. We foresee a likely continuation of the housing and mortgage market environment that will constrain our lending activities and ability to generate net revenue at the same time that the need for federal fiscal constraint puts at jeopardy the funding programs and Tax Code authorities on which we rely to serve affordable housing needs. This will require us to enhance the flexibility of our programs to adapt to changes in capital sources, federal program funding, and regulatory requirements. We must also effectively restrain costs in a manner that ensures we remain lean, while retaining a staff that is innovative and collaborative and can flexibly adapt to change.

Our current environment also offers potential new opportunities. Reform of the GSEs, the federal Tax Code and federal housing programs potentially create new roles for state HFAs and/or the ability for us to restructure our programs in a manner that will increase their long-term effectiveness and sustainability. Now more than ever, our outreach to Congress through NCSHA and our outreach to our partners and affordable housing stakeholders will be critical in assuring that we are able to remain a leader in a housing industry that has the resources and capacity to address the Commonwealth's affordable housing needs.

The three pillars of our future success will be: 1) accessing capital and maintaining our long-term financial capacity to provide needed housing assistance; 2) developing homeownership and rental housing programs and services that continue to effectively address evolving needs; and 3) building and sustaining the administrative capacity and partnerships with our stakeholders and customers that enable us to effectively deliver our programs and services.

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FINANCE	Goal	Access diverse capital sources as necessary to fund lending programs and maintain long-term effectiveness.
	Strategies	<ul style="list-style-type: none"> • Position VHDA to utilize the best available sources of capital for VHDA’s existing homeownership and rental loan programs, including tax-exempt and taxable bonds and Ginnie Mae and Fannie Mae securitizations. • Develop financing for new loan products that address the changing needs of customers to expand affordable housing opportunities.
	Outcomes	<ul style="list-style-type: none"> • VHDA provides an ongoing flow of capital to support loan products that leverage housing subsidies and serve the needs of low-to-moderate income households throughout Virginia. • VHDA maintains financial strength and generates ongoing net revenues to support growth in loan programs and REACH subsidy contributions.

Homeownership	
PROGRAMS	<p>Goal</p> <p>Be proactive, adaptive and responsive to changing homeownership market conditions, and in doing so, continue to provide the best products and services for the customers we serve and the stakeholders who partner with us to fulfill our mission.</p>
	<p>Strategies</p> <ul style="list-style-type: none"> • Develop a broad range of products for our customers and partners that provide affordable financing options to obtain homeownership. • Continue loss mitigation efforts to keep borrowers in their homes, while balancing VHDA financial resources and minimizing loss. • Continue quality control and compliance best practices to ensure VHDA's accessibility to affordable housing programs. • Utilize technology to simplify our products and services to ensure cost effectiveness. • Update processes between divisions and departments to find more efficient and cost effective ways to provide quality customer service.
	<p>Outcomes</p> <ul style="list-style-type: none"> • VHDA provides ongoing access to prudent home purchase loan products and services that serve the needs of low-to-moderate income households throughout Virginia. • Homeownership programs are efficient and effective and meet industry quality standards, regulatory requirements and expectations of customers, stakeholders and investors.

Multifamily	
PROGRAMS	<p>Goal</p> <p>Develop and sustain affordable rental housing options that will promote the growth of rental housing to meet the changing needs of targeted incomes and communities.</p>
	<p>Strategies</p> <ul style="list-style-type: none"> • Generate new rental housing production and preservation by expanding and developing our programs, including REACH • Minimize portfolio runoff using all necessary resources. • Manage VHDA rental programs in a manner that maximizes their efficiency and effectiveness in order to: 1) sustain ongoing lending and subsidy allocations to serve unmet housing needs; and 2) maintain public support for tax-exempt bonds, LIHTCs and Housing Choice Vouchers in an environment of fiscal austerity • Manage rental portfolio and program risks. • Better support and advance rental housing strategies by implementing the appropriate technology.
	<p>Outcomes</p> <ul style="list-style-type: none"> • VHDA provides sound, competitive rental loan products that effectively balance borrower, tenant and community needs and support long-term quality housing throughout Virginia. • VHDA's management of LIHTC, REACH and Housing Choice Voucher subsidies is cost-effective, addresses priority unmet rental needs, and receives stakeholder support.

Community Outreach	
PROGRAMS	<p>Goal</p> <p>Provide financial and technical support to facilitate affordable housing planning and development while assisting citizens, stakeholder groups and communities in optimizing housing solutions.</p>
	<p>Strategies</p> <ul style="list-style-type: none"> • Design and implement a comprehensive communications plan that informs elected officials, housing advocates and potential customers about the benefits and opportunities of VHDA’s affordable housing programs and services. • Enhance housing education opportunities for homeowners and expand programs to better serve renters. • Preserve and create partnerships as well as facilitate programs (such as VHDA’s Housing Choice Voucher Program and housing counseling programs) that serve populations with the most difficult housing needs, including persons with disabilities and the homeless. • Implement on a demonstration basis an integrated community outreach approach to address the affordable housing needs of an identified community, which will serve as a replicable model to use in supporting other communities.
	<p>Outcomes</p> <ul style="list-style-type: none"> • Public and private stakeholders are aware of and support VHDA’s mission, understand the importance of its programs to address housing needs and understand the benefits and opportunities of utilizing VHDA assistance. • VHDA provides access to basic financial literacy regarding housing and promotes an understanding of the rights and responsibilities of homeownership and rental occupancy for all Virginians. • VHDA facilitates strong local administrative entities and partnerships to enable the effective and efficient delivery of assistance to difficult-to-serve populations and address the housing needs of local communities.

ADMINISTRATIVE SUPPORT	Goal	Enable VHDA to accomplish its vision, mission and strategic goals and support business priorities through the judicious and effective use of its limited resources.
	Strategies	<ul style="list-style-type: none"> • Create strategic and operational opportunities by partnering with and providing consulting expertise to the organization. • Provide Authority-wide processes to identify, evaluate, analyze, monitor, communicate, and respond to risks. • Use established project management methodology to manage programs and projects within scope, schedule, budget and quality requirements. • Foster a collaborative environment and culture that embodies VHDA's guiding principles. • Provide appropriate technology that focuses on the needs of customers and stakeholders. • Develop a data-driven organization that provides needed, timely information for improved decision making and results.
	Outcomes	<ul style="list-style-type: none"> • VHDA's staff, technology, processes, and systems create efficient and effective delivery of programs and services and maintain business activities that are aligned and competitive with industry standards. • Management decisions are fully informed and data-driven