

VHDA – The Impact of Housing in Virginia (Video Transcript)

Susan Dewey: Hi. I'm Susan Dewey. Here at VHDA, we're working hard to support the development of quality affordable housing for all Virginians. We know that access to good housing is a critical part of Virginia's quality of life. In fact, a study commissioned by the Governor's Housing Policy Advisory Council, shows the impact of housing on Virginia's ability to create and sustain well-paying jobs. Housing is SO important to our economy that our state Chamber of Commerce included housing in its business plan for the Commonwealth, called "Blueprint Virginia 2025."

***Barry Duval, President & CEO, Virginia Chamber:** As we put this blueprint together, we held over 30 meetings around the Commonwealth of Virginia. We had over 6,000 businesses participate in this process, and one of the key findings was that workforce readiness was the top issue for every region in the Commonwealth. The low unemployment rate actually creates competition for workers. So, having affordable housing is going to be an important factor as to where businesses can expand, where they relocate and how they attract the workers that are necessary. So, it goes hand in hand. Affordable housing means job growth, job opportunities and more prosperity for everybody. And I have to say the Virginia Chamber is pleased to have a partnership with VHDA in developing our blueprint and now going forward keeping track through a dashboard we're developing as to how we're doing meeting the needs of housing in the Commonwealth of Virginia. So we appreciate the partnership of VHDA, and we recognize their leadership.*

Susan Dewey: We certainly appreciate all the Virginia Chamber is doing as well. Now, I'd like to share with you two examples of housing that are making an impact, in two very different communities! Both were financed through our Mixed-use/Mixed-income program.

First: a 24-story building near Norfolk's waterfront served for decades as headquarters for a large bank and other tenants. But in recent years, many of those tenants left for more modern facilities, and more than two-thirds of this building sat vacant. Well, after the bank moved out, the building underwent a stunning transformation, which VHDA financed. Today, Icon Norfolk is home to hundreds of people with a diversity of income levels. It's providing much-needed housing for the local workforce, as well as valuable retail space for several businesses. Icon Norfolk has been good news for local wages and salaries, local jobs supported, and local taxes paid — not only during construction, but on an ongoing, annual basis.

Housing also impacts smaller communities, where household incomes tend to be lower. One great example is in Blacksburg — where the old Prices Fork Elementary School has been reborn as Prices Fork Village, a community of affordable apartments for adults 55 and up. In order to qualify for historic tax credits, many of the original details were preserved. The hallways still feature the original brick, tile, and classroom doors. But behind those doors today, instead of math and geography classes, residents like Stephanie and her neighbor, Elizabeth, have wonderful apartments, filled with natural light from the giant school windows.

***Stephanie:** I love these windows. I look up out these windows at sky, and I watch the clouds, I watch the sky change ...*

***Elizabeth:** I remember when this was a school because it wasn't that long ago. I like the fact that they took a building that was empty and utilized it and didn't tear it down.*

***Stephanie:** I really like the idea of combining residential space and commercial space. Having the cafeteria become a restaurant just feels wonderful. Having the kindergarten room turned into a brewery is wonderful. I think that over time, having those businesses is going to bring more people to Prices Fork and I think it's going to be good for the community. This is an old community, and I think it could use a little commercial boost, so I think it'll be very good.*

Susan Dewey: The transformation of the Prices Fork school is part of the Governor's Vibrant Communities Initiative, and DHCD has been a great partner with us on this project.

One of the tools we have to keep rental housing affordable is our REACH *Virginia* program. We contribute a large portion of our net revenues each year, and use some of the money to buy down interest rates, which results in lower rents for tenants.

Another way we use REACH *Virginia* money is to fund our Community Impact Grant. One of those grants was recently used by the City of Alexandria to help preserve affordable housing along the Route 1 corridor.

Helen McIlvaine, Director of Housing, City of Alexandria: *A few years ago, we realized that we had 215 affordable units in the city that were facing expiration of their federal housing assistance contracts. We approached VHDA about resources to do a planning effort to develop strategies and tools to preserve these units. Although what we were proposing didn't fit VHDA's typical CIG parameters, they were very happy to work with us and figure out a way to help solve our problem. So this year in January, we started a process where we tried to engage the entire community, the two property owners who owned the units, the residents who would be impacted, their neighbors, and we came up with a plan to basically redevelop the sites, allow a mixed-income community to grow but preserve the deeply affordable units that are currently there as well as provide assistance so that people have the help they need during the period that they'll be temporarily relocated. The city greatly appreciates its partnership with VHDA. This is very typical, that when we said this is great need, affordable housing is at stake, they were glad to come to the fore and provide the resources we needed to make it happen, on a time frame that was very, very sensitive.*

Susan Dewey: Affordable rental housing is greatly needed in Northern Virginia, so we're glad we could help.

Of course, we also provide financing for first-time homebuyers, down payment grants, mortgage credit certificates, and our free Homebuyer Class. We offer a special version of our class for members of the U.S. military, called "Operation Homeownership." In fact, this year marked the 20th anniversary of that program. We had a wonderful celebration to thank our military partners, and we heard from a Navy veteran who was the first to graduate from that class and buy a home for his family. He spoke to us about how the class had helped him prepare to buy a home, and the security it provided knowing his family was safe in their own home when he was deployed on sea duty. Today, he and his wife still live in that same home that they bought 20 years ago.

Well, those are just a few examples of the impact housing can have – to change lives and communities! You can learn more about our work at VHDA, and see key numbers from our fiscal year 2018, below this video on our annual report page. We look forward to another great year working with our partners to help Virginians attain quality, affordable housing!