VHDA helps communities in using tax credits for innovative housing

Martinsville Director of Community Development Wayne Knox at award-winning Martinsville Lofts
How do you go from concerns about NIMBY (not in my back yard) to “what a great addition to our community?” In cities and towns across Virginia, the answer is by taking an innovative approach to affordable housing.

It can start with a historic diamond in the rough, like Martinsville’s 1929 furniture factory or a former grand hotel in Roanoke. It can also grow from the ground up, like the new seniors’ apartments in Richmond’s Church Hill neighborhood.

With the right partnerships, financing tax credits, first-class construction and outstanding property management, municipalities are creating much more than housing that’s affordable. They’re creating remarkable, livable environments that people want to call home, that foster community pride and benefit local economies.

Read about the latest trends in affordable housing in this special 15-page section that follows.
Low-Income Housing Tax Credits
Think of them as affordable housing’s unsung hero

By Ann Brown

The dictionary defines an unsung hero as someone “who makes a substantive yet unrecognized contribution.” The definition is a perfect analogy for Low-Income Housing Tax Credits (LIHTC) – a sometimes misunderstood federal program that has quietly worked behind the scenes for almost three decades to help bring affordable rental housing to communities across Virginia. These housing tax credits, administered by the Virginia Housing Development Authority (VHDA), help encourage the creation of quality affordable homes for hardworking families and people with special needs, seniors, veterans and the homeless. They’re also an important economic development catalyst for Virginia, since the construction and ongoing operations of affordable rental housing attract significant private investment and generate substantial tax revenue for the Commonwealth and its municipalities.

Created by the Tax Reform Act of 1986, this program gives the nation’s state and local housing finance agencies the equivalent of nearly $7.8 billion in annual budget authority to issue tax credits. The credits are used to acquire and rehabilitate or build affordable rental housing. In exchange for producing this housing, developers receive the benefits of tax credits they can sell to investors who use them to offset their federal tax liability.

The LIHTC program successfully demonstrates what government and the private sector can do when they work together. Unlike in a direct funding program, private investors (not the federal government) provide the money up front and bear the financial risk. Each state receives an allocation of credits based on population. Then, the state housing authority makes credits available to developments within its state. This helps ensure that rental housing meets established statewide priorities. Results of this private/government financing partnership can be seen throughout the Commonwealth. From Buchanan Gardens Apartments in Arlington County to The Rivers Apartments in Chesapeake to Martinsville Lofts in Martinsville, each apartment community is one that Virginia’s diverse neighborhoods – and neighbors – can embrace.

Reusing manufacturing space

“At any project, the only way to make it possible and positive, is to have all the right partners at the table on the front end… All parties must be willing to be in it for the long haul, and must be patient,” says R. Taylor Stanfield, president and CEO of Landmark. “The site consisted of four separate buildings and one of the buildings included three distinct areas. In the end, the project retained the historic character of a former furniture manufacturing company while at the same time blending modern elements creating a cohesiveness that made everything work perfectly.”

In addition to creatively leveraging the financing needed, innovative thinking also earned this community development project a 2013 National Affordable Housing Tax Credit Sustainable Leadership award from EarthCraft Virginia and a program sustainability award from the Affordable Housing Program (AHP). The thinking was that a large amount of TLC and leveraged financing would create an attractive, modernized affordable housing community.

Comprehensive renovations to update the community included expanding the number of two- and three-bedroom apartment units, as well as increasing their size. Upgraded plumbing and electrical capacity, as well as new tankless water heaters, energy-efficient heating and central air conditioning, kitchens and baths, were phased in across the community during the 18-month process. Other improvements include 12 barrier-free units, a new community center and a playground.

Buchanan Gardens, located in Arlington County, features 11 updated buildings that now provide more family-sized apartments, as well as secured bike parking, a community center and a playground. Buchanan Gardens is one of many early 20th century furniture factories that once stood within the city limits – opened and began producing small pieces of furniture known as “novelties.” In addition to the three-story main factory building, the complex also includes an adjacent wood storage area, drying kilns, a storage building and a factory restaurant, as well as a Quonset hut added in the late 1940s.

Rehabilitating viable housing

Built in 1949, the 11 brick apartment buildings that comprise Arlington County’s Buchanan Gardens had seen better days when it was bought in 2009 for redeveloping affordable residential community was a challenge. But since the project had to combine the very different requirements of the federal and state historic tax credit programs with the federal LIHTC program.

What surprised the most about Martinsville Lofts was the amount of paperwork involved with putting together such a project, and the people who have the skills to make it possible. “It always amazes me to see a project unfold, as the numbers add up and the paperwork follows it,” Knox said.

Landmark Asset Services, Inc. of Winston-Salem, N.C., along with VHDA LIHTC specialists, met the adaptive reuse challenges, and today Martinsville Novelties is serving a new role as affordable housing for families earning 60 percent or less of the area median income (AMI). The 60 loft-style apartments spread across three buildings include seven unique townhouse-style units built into the metal-clad Quonset hut. All are EarthCraft certified, feature Universal Design elements and are managed by a VHDA-certified management company. The complex also includes an unheated covered recreational community area and a playground for younger residents.

What was most surprising about Martinsville Lofts for the developer? “In all honesty, just how beautiful the finished project was,” said R. Taylor Stanfield, president and CEO of Landmark. “The site consisted of four separate buildings and one of the buildings included three distinct areas. In the end, the project retained the historic character of a former furniture manufacturing company while at the same time blending modern elements creating a cohesiveness that made everything work perfectly.”

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Stacy D. Buerlein.

Martinsville Lofts, originally a historic factory building in Martinsville, has been transformed into an inviting and affordable residential community. Photo by Doug Buerlein.
In addition, each of the 240 apartments—which now have EarthCraft certification—offers residents healthy living, low utility costs and sustainable products. Photos courtesy of Lawson Realty Group.

### The Rivers

The Rivers, located in Chesapeake, is another example of a successful rehabilitation. This property, which is EarthCraft certified, offers low utility costs and ENERGY STAR® appliances. The community features 48 one-bedroom and 192 two-bedroom apartments—240 remediated units in total—as well as a community center with a computer lab, a playground and a laundry room. Twenty-four apartments meet Uniform Federal Accessibility Standards with ADA floor plans that include roll-in showers and project-based rental subsidy.

In addition, 24 units in the revitalized apartment complex provide affordable housing for families or individuals earning 60 percent or less of the area median income (AMI). The remaining 216 units will see those making 50 percent or less AMI.

“When the residents learned about the details of the planned improvement through our community meetings, they were extremely excited about the renovations to both their individual apartments and the community as a whole,” said Carl Hardee, vice president of The Lawson Companies, the developer of the property. “In addition, the City of Chesapeake, the police department, and the zoning and planning offices were very pleased with the planned improvements to the property and the value it added to the surrounding area.”

The Lawson Companies, an active tax credit developer, has completed more than a dozen tax credit developments in Virginia and South Carolina. There is a sense of true partnership in working with VHDA. Everyone involved is dedicated to the project, from construction management through the closing team. VHDA has been and continues to be a great business partner,” Hardee said.

The $14.6 million revitalization of The Rivers Apartments was financed with $5.5 million in Low-Income Housing Tax Credits leveraged with Rural Development funding, American Recovery and Reinvestment Act 1602 Exchange funds and VHDA funding (taxable bonds and REACH Virginia).

### Somanath Senior Apartments

The $6.3 million development was financed using $3.7 million in federal Low-Income Housing Tax Credits, $91,000 in Renewable energy credits, $1.3 million in VHDA funding (taxable bonds and REACH Virginia), a $250,000 HOME loan from the Virginia Department of Housing and Community Development and $945,000 in private fundraising by the sponsor.
South Bay Apartments, new construction located in Portsmouth, is home to 60 formerly homeless single adults from the South Hampton Roads region. Onsite support services help residents improve their housing stability and self-sufficiency. Photo courtesy of Virginia Supportive Housing.

South Bay Apartments was built from the ground up by non-profit developer Virginia Supportive Housing (VSH) to serve homeless individuals in South Hampton Roads. Each of the 60 supportive studio apartments (SSA) has about 380 square feet and includes a bed, dresser, table, chair, kitchenette and full bathroom. Six of the units in this EarthCraft certified property are completely accessible. In addition to apartments, the complex contains a community room, laundry facilities, a computer room, a fitness room and staff offices. An extensive security system includes a staff member on duty 16 hours a day, with a resident monitor on duty at night.

Residents sign leases and pay 30 percent of their income in rent; the remaining rent subsidy payment from a resident is $50. Onsite supportive services are available to help residents stabilize and improve their health, incomes, housing stability and increase their self-sufficiency. Forty-two South Bay units serve Portsmouth residents, with six units each reserved for residents of Chesapeake, Norfolk and Virginia Beach.

The four participating municipalities provided funding and rental subsidies for the $6.9 million apartment complex, and the Portsmouth Redevelopment and Housing Authority donated the land. Additional funding sources included the syndication of federal Low-Income Housing Tax Credits, loans from the Virginia Department of Housing and Community Development (DHCD) and VSHA, and grants from private foundations.

“We appreciated the opportunity to collaborate with VSHA on the Low-Income Housing Tax Credit Program, and on various real estate loan products tailored to the various phases of a real estate development,” said VSH Housing Development Officer Julie Anderson. “We also liked the customer service VSHA provided, with questions answered quickly and in person.”

Rethinking your community’s affordable housing options

Attractive, well-built and well-managed rental properties are popular with Virginians, no matter what part of the Commonwealth they call home. They’re also more affordable for residents, developers and communities when they’re financed, in part, with Low-Income Housing Tax Credits. Navigating the revitalization journey from ambitious idea to amazing reality is easier than you might think.

“What I liked best about working with VHDA was the flow of information that was transmitted all ways—from the developer to the city and back again to VHDA,” said Knox, referring to Martinsville Lofts. He added that there are more possible sites within Martinsville that now are being looked at for renovation, including some larger former factories and a former hotel. “These could provide high quality and affordable residential housing in the core of our city.”

Could the LIHTC financing partnership between government and private sector investors help bring exciting opportunities to your community’s affordable rental housing? To learn more about the federal Low-Income Housing Tax Credit program, visit vhda.com or call Jim Chandler, director of LIHTC Programs, at 804-343-5786 or e-mail jim.chandler@vhda.com.

About the author

Ann Brown is a senior copywriter at the Virginia Housing Development Authority.

How Low-Income Housing Tax Credits work

HERE ARE 907 actively leasing properties (84,921 apartments) in Virginia that were funded by the federal Low-Income Housing Tax Credit (LIHTC) program. The credits are allocated by the Virginia Housing Development Authority (VHDA). The apartments serve low-income families, people with disabilities, elderly and the homeless in rural and urban Virginia. These credits are often the foundation for revitalizing neglected neighborhoods and catalysts for stimulating local economies.

Here’s how the program works.

1. Federal regulations allow each state’s housing finance agency to work within broad guidelines and tailor the LIHTC program to best address that state’s needs. The LIHTC program encourages investors to finance apartments for low-income residents at restricted rates, ensuring each state pays a per capita allocation of housing tax credits. For Virginia in 2013, the allocation was $2.25 per capita for a total of $18.4 million. In addition, a state may require a share of the national pool of unused credits from other states. The credits generate approximately twice their value in additional investment.

2. Eligible development types and corresponding credit rates include: 9 percent for new construction or substantial rehabilitation of developments not federally subsidized or financed with tax-exempt bonds; 4 percent for new construction, substantial rehabilitation or acquisition of developments that are federally subsidized or financed with tax-exempt bonds; the actual tax credit rate, recalculated monthly by the IRS based on Treasury Department interest rates, is set at the prevailing rate either when the developer signs the contract with the housing finance agency when the finished project is ready for occupancy. That rate represents the percentage of qualified project costs investors can claim against their federal taxes each year for 10 years.

3. Each state’s housing finance agency—VHDA in Virginia—develops a qualified allocation plan (QAP) to give priority to its most pressing low-income housing needs. VHDA then holds public hearings on the QAP and coordinates priorities with other housing programs.

4. VHDA evaluates which apartment developments, using the proposed many, best meet the QAP. Virginia’s QAP establishes a competitive system centered on the allocation of points earned for meeting various criteria. Points are awarded for a variety of housing needs characteristics that include readiness; location of the proposed development in a Qualified Census Tract and revitalization area; development characteristics such as EarthCraft or LEED green building certification; resident population characteristics; sponsor’s experience; and efficient use of resources.

In addition, bonus points are awarded for a commitment to improve income and rent limits on the low-income housing units throughout—as well as beyond—the 30-year extended use period. Even when all applicants meet the QAP standards, fewer than half are able to be funded, with about a third of all housing tax credits awarded to non-profit organizations.

5. VHDA scrutinizes costs and financing estimates in the proposal to verify, and limits developer and builder profit, providing only enough housing tax credits to make it possible to rent the apartments to low-income families at restricted rents.

6. Developers use professional tax credit syndication firms to market housing tax credits to the largest possible number of investors to get the highest possible price. (Non-profit organizations syndicate a third of all housing tax credits.)

7. Money from selling housing tax credits acts as the developer’s equity in the property and reduces the mortgage needed to build or renovate the apartment complex. These savings are what make rent restricted, lower rents for low-income residents possible.

8. The developer uses the cash from the LIHTC sale and mortgage proceeds to buy materials and hire labor for construction. VHDA ensures that developers begin construction promptly and finish within a specified time or require that the credits be returned for re-allocation.

9. When the apartment complex is ready to be occupied, VHDA reviews the costs and funding sources again, and reduces LIHTCs if fewer credits are needed than were first approved.

10. In order to ensure the ongoing quality of the rental property, as well as compliance with the LIHTC program, VHDA continuously checks resident rents and incomes, inspects properties public hearings on the QAP and coordinates priorities with other housing programs.

Investors have a strong stake in keeping an apartment complex in compliance. They can claim the LIHTC for 10 years, but only as long as their apartments remain in good condition and are rented to low-income residents at restricted rents. However, most developers in Virginia agree to hold rents at affordable levels for 30 years.
In 2001, ROANOKE residents and city leaders unveiled a blueprint to galvanize community development through 2020, with a major goal of revitalizing the city’s neighborhoods. Roanoke was beginning to emerge as one of the hottest cities in America for new manufacturing locations and/or expansions. But the growing workforce found affordable housing in the downtown area to be limited.

Residents, leaders and developers recognized that the great old buildings of downtown Roanoke had lost their luster, but not their potential. Appreciation for these historic structures—factories, hotels, storefronts and warehouses—was still there. Was it possible to bring them back to life as mixed-use/mixed-income (MUMI) properties with affordable housing options? And if so, how could Roanoke make it happen?

By Ann Brown

Today, the former Grand Piano and Furniture building known as The Hancock is a MUMI complex that features 46 apartments, as well as ground floor space.

“The developer of the first mixed-use project brought the details of VHDA’s program to the city’s attention and demonstrated how this program was beneficial to his development approach. It also was consistent with Roanoke’s housing goals and objectives,” said Roanoke Assistant City Manager Brian Townsend, “especially as it pertained to our desire to provide more consistent with Roanoke’s housing goals and objectives,”

Through its Redevelopment and Housing Authority, the city had designated most of the central part of Roanoke and downtown as a conservation district in 1980. This satisfied the requirements of VHDA’s MUMI program. The city also used its resources to establish new national and state Historic Districts—and expand existing districts—in parts of downtown. This step facilitated the development community’s use of state and federal historic tax credits as an integral part of revitalizing Roanoke’s downtown housing component. The city’s zoning ordinance already allowed mixed-use development.

Townsend added that the city’s role was, and continues to be, to create a climate that helps developers explore, implement and layer multiple financial and program components. This makes it easier to overcome functional and financial barriers that are inherent in transforming old buildings into mixed-use/mixed-income residences.

In 2002, Roanoke residents and private developers, Scott Graeff and Ed Walker shared a dream—to do something special with the former Grand Piano and Furniture building. Five years later they approached the City of Roanoke with the idea of restoring the historic landmark and, at the same time, creating rental alternatives for the city’s diverse workforce. Today, the four-story building called The Hancock features a restored exterior façade, as well as the original oak floors and decorative upper-floor windows. Monthly rents are $620 to $1,500 for the 46 one-bedroom apartments and $995 to $1,195 for the 12 two-bedroom apartments. Seventeen of the 46 apartments will be maintained as affordable for the life of the loan. The building also includes office space on the ground floor. This $10 million adaptive re-use was financed by layering historic tax credit equity, owner equity, a one-time economic development performance grant contributed by the city through the Roanoke Redevelopment and Housing Authority, and a blend of VHDA taxable bonds and REACH Virginia MUMI subsidy funds.

“In 2002, the city had almost no housing in its traditional downtown,” said Townsend. “It took a couple of signature projects to demonstrate the demand for housing downtown and in Roanoke’s surrounding central core neighborhoods. It was surprising that those initial projects, like The Hancock, that came online in the mid-late decade (2006-2009), were pre-leased, and/or were totally leased up very soon after the project.”

Built in 1925 by Harry Lawson along the downtown railway, The Lawson East originally warehoused first generation Model T’s imported into the Roanoke area. In September 2008, when the warehouse received its listing as a Virginia Landmark on the National Register of Historic Places, developer Lucas Thornton had already envisioned the project that would breathe new life into his great-grandfather’s legacy. Thornton had contacted VHDA in January 2008 for assistance in collaborating with the developer and the city, as well as creating a financing strategy to leverage several sources of funding. The result of merging the warehouse’s historic industrial roots with modern features is 22 one- and two-bedroom apartments, with eight apartments maintained as affordable for the life of the loan. There are also two live/work units and a 1,000 square foot commercial space. In addition to historic tax credit equity and owner equity, the $3.2 million revitalization was funded through VHDA’s MUMI program and REACH Virginia subsidy funds, blended with taxable bonds. The City of Roanoke provided a 10-year real estate tax abatement that temporarily freezes the building’s value at its pre-rehabilitation rate.}

Cotton Mill Lofts, once a thriving textile factory in Roanoke’s downtown industrial district, has been reinvented as an urban mixed-use/mixed-income community with immediate leasing success.

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From hotel to high-rise apartment building. The Patrick Henry is an adaptive re-use success story complete with an elegant ballroom and a variety of ground floor businesses.

The Patrick Henry. Once a glamorous high-rise hotel, it had operated as both apartments and a hotel for several decades before the final resident moved out in 2005. It was sold in October 2009 to developer Edward Walker, who had previously revitalized several of downtown Roanoke’s historic buildings. Innovative adaptive re-use balanced modern amenities with the preservation of many original architectural details. The result is 132 rentable spaces that can be rented for weddings, conferences and meetings. The $22.6 million transformation was financed by combining historic tax credits, New Markets Tax Credits (NMTC), and local financial support.

The restored ballroom provides an elegant space that is being used for weddings. The Patrick Henry also features street-level businesses, including several decades before the final resident moved out in 2005. It was sold in October 2009 to developer Edward Walker, who had previously revitalized several of downtown Roanoke’s historic buildings. Innovative adaptive re-use balanced modern amenities with the preservation of many original architectural details. The result is 132 rentable spaces that can be rented for weddings, conferences and meetings. The $22.6 million transformation was financed by combining historic tax credits, New Markets Tax Credits (NMTC), and local financial support.

The restored ballroom provides an elegant space that is being used for weddings. The Patrick Henry also features street-level businesses, including retail properties confirmed the desire for affordable housing in a downtown that is evolving into a true neighborhood.

The devil is in the details. You have to determine what is in your city’s best interest, what its housing strategy is, and how to ensure that alignment of policies, goals and objectives is made with support or non-support of certain housing financing programs,” Townsend said. “The VHDA MUMI program happened to be very well aligned with Roanoke’s housing goals and objectives when it was first used in 2006 or so, and the city developed a rapport with a local group of developers whom we knew had long-term interests in their investments, and in the future of downtown, that very closely aligned with those of the city.”

City Manager Christopher Morrill summed up Roanoke’s MUMI revival this way. “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, nights, 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.”

To learn about MUMI housing finance solutions that can help cities and towns transform neglected buildings into desirable, affordable apartments and street-level businesses, contact Keith Sherrill, VHDA Community Housing Officer, at 804-343-5735 or Keith.Sherrill@vhda.com. To review MUMI success stories from around Virginia, visit vhda.com/casestudies.

About the author
Ann Brown is a senior copywriter at the Virginia Housing Development Authority.
These rental communities must also provide amenities such as energy-efficient appliances, high-efficiency HVAC and Uniform Statewide Building Code (USBIC) accessibility for the physically impaired, along with many other amenities agreed to by the developer in the tax credit application. Properties that are awarded historic tax credits also face additional requirements imposed by the Department of Historical Resources. Sometimes these various rules and regulations can conflict with each other. The property control officer must work with the contractor and guide them in a direction that won’t compromise the success of the project to help make sure all the ‘t’s are dotted and the ‘i’s are crossed,” Shelly said.

Developers can also benefit from VHDA’s experience working with EarthCraft and other third parties that provide leading-edge design and green building materials. The goal is to provide well-constructed, energy-efficient and safe homes for the low- and moderate-income Virginians who need them. After the construction phase is completed, VHDA’s asset managers use regularly scheduled property inspections, compliance audits and financial reviews to ensure the property’s management team continues to meet expectations of excellence for 30 years—the duration of the financing.

To learn more about VHDA’s commitment to quality construction, and the important role it plays in affordable rental housing, contact Ray Shelly at 804-343-5554 or Ray.Shelly@vhda.com. (See About the author)

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Ann Brown is a senior copywriter at the Virginia Housing Development Authority.

FINANCING AS UNIQUE AS VIRGINIA’S COMMUNITIES

VHDA SPECIALIZES in providing just the right type of financing for rental properties and mixed-use developments all over Virginia. Many of the properties featured in this edition of Virginia Town and City were financed using one or more of the following VHDA loan products:

Taxable bonds: Loans for construction and/or acquisition (with or without rehabilitation) of affordable and conventional rental housing. The income limit is 150 percent of area median income (AMI).

Tax-exempt bonds: Federally regulated loans for construction or acquisition with substantial rehabilitation of affordable rental housing. The developer must own at least 50 percent of the apartments to renters at or below 50 percent of AMI adjusted by family size, or 40 percent of apartments to renters at or below 60 percent of AMI adjusted by family size. The balance of the apartments have income limits of 150 percent of AMI, not adjusted by family size.

Mixed-use/mixed-income financing: Loans for developments comprised of mixed-income rental housing together with commercial or other non-housing buildings. The project area must be designated by the localities as a revitalization area or be located in other qualified revitalization areas. Income limits apply to a portion of the units.

Fixed-income financing: Loans for the construction and/or acquisition with rehabilitation of developments composed of mixed-income rental housing. The area must be designated by the localities as a revitalization area or be located in other qualified revitalization areas. Income limits apply to a portion of the units.

REACH/SPARC loans: VHDA’s REACH Initiative supports the Sponsoring Partnerships and Revitalizing Communities (SPARC) program which provides low interest rate loans to encourage affordable rental housing for the homeless, for people with disabilities and for affordable housing preservation and community revitalization. This financing may be standalone, or layered with taxable or tax-exempt bonds.

For additional information, visit vhda.com or contact Dale Writte, director of rental housing development, at 804-343-5876 or Dale.Writte@vhda.com.

RAISING THE BAR FOR RENTAL COMMUNITY QUALITY

“THERE GOES THE NEIGHBORHOOD.” It’s not a comment municipal leaders and property developers ever want to hear, especially when it’s made about a much anticipated affordable housing complex. It’s also a comment that’s much less likely to be heard when members of the property’s management team are Virginia Housing Development Authority (VHDA) certified professionals.

Anticipating and handling a building’s maintenance and repairs, as well as the responsibilities to the residents of that building, is what certified property management is all about. When rental communities have certified property managers, onsite operations run smoother, buildings are better maintained, tenants are happier and the property’s economic viability is enhanced. Also enhanced is the neighborhood’s perception of the property and of affordable rental housing.

The changes in our apartment complex have now come to light — the parents, the elderly and the children in a place that is not only nice to look at, but a happy and safe place in which to live,” said a resident of Onancock Square Apartments, a property managed by a VHDA-certified management agent.

The changes in Onancock Square Apartments, located in a municipality where 37 percent of the population are renters, coincided with the 2007 implementation of VHDA’s Certified Management Agent program — an indication that quality of life in a rental community depends largely on how well it is managed. The goal of the program is to ensure quality affordable housing by setting high standards among rental property managers and making sure those standards are met. As of June 2013, some 116,943 apartments are managed by 111 agents who successfully completed the certification process.

“This program means our rental communities are managed by the most capable, professional management companies in the industry,” said Neal Rogers, VHDA Director of Compliance and Asset Management. “The program is also unique, in that it is an ongoing process that incorporates property inspections, compliance audits and financial reviews. By measuring an agent’s performance throughout the year—much like employee performance evaluations—VHDA can coach them if they have difficulty in an area, such as onsite management or file compliance.”

VHDA also sponsors ongoing training on fair housing, landlord/tenant issues, tax credit compliance and Section 8 compliance to help agents stay informed and maintain their certification.

Beginning in 2013, using a certified property management company is a requirement for all Low-Income Housing Tax Credit (LIHTC) and VHDA-financed developments. This requirement helps ensure that the limited financial resources available for affordable housing only go to developers committed to sound property management. Response to the Certified Management Agent program has been very positive, with developers including it in every LIHTC application since 2009. Part of this response is attributed to developers realizing that one bad property can lead to NIMBY (not in my back yard) reactions in a neighborhood, while properly managed affordable rental housing becomes a true community asset.

In fact, 2010 U.S. Census statistics show that roughly 70 percent of the dollars renters spend (on everything from rent to entertainment) stay within the local economy. This spending activity is vital to local and state economic growth, as well as to sustaining vibrant neighborhoods.

To learn more about VHDA’s Certified Management Agent program, contact Neal Rogers at Neal.Rogers@vhda.com or call 804-343-5370.

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“This program means our rental communities are managed by the most capable, professional management companies in the industry.”

“By measuring an agent’s performance throughout the year—much like employee performance evaluations—VHDA can coach them if they have difficulty in an area, such as onsite management or file compliance.”

The changes in our apartment complex have now given all of us ... a place that is not only nice to look at, but a happy and safe place in which to live.”

By Ann Brown

About the author
Ann Brown is a senior copywriter at the Virginia Housing Development Authority.
Affordable housing resources

Financing
Contact Dale Wittie, VHDA director of rental housing development, at 804-343-5876 or Dale.Wittie@vhda.com. You may also contact Chris Hilbert, VHDA strategic markets development manager, at 804-343-5741 or Chris.Hilbert@vhda.com.

Housing programs and assistance
Virginia Department of Housing and Community Development (DHCD) www.dhcd.virginia.gov/index.php/housing-programs-and-assistance

Low-Income Housing Tax Credits
A federal program, administered in Virginia by VHDA, to encourage the development of affordable rental housing. Learn more at vhda.com or contact Jim Chandler, VHDA director of Low-Income Housing Tax Credit Programs, at 804-343-5786 or Jim.Chandler@vhda.com.

Planning grants
VHDA provides funding to offset costs for localities striving to revitalize communities and promote mixed-use/mixed-income development. To learn more or request a grant application, contact Keith Sherrill, VHDA community housing officer, at 804-343-5735 or Keith.Sherrill@vhda.com.

Rental housing inventory
VirginiaHousingSearch.com

Resource library
Compiled by the National Low-Income Housing Coalition
www.nlihc.org/library

Statewide inventory of housing policies and programs
The Housing Virginia PLAYBOOK
www.housingvirginia.org

Training
VHDA offers training and insight into industry best practices that help communities make the most of their resources. Contact Bruce DeSimone, VHDA senior community housing officer, at 804-343-5656 or Bruce.desimone@vhda.com.