

Virginia Housing grants making a difference

MRPDC is providing affordable housing in Southwest Virginia with some help from Virginia Housing grants

OVER THE LAST TWO YEARS, the Mount Rogers Planning District Commission (MRPDC) has worked tirelessly to develop much-needed new homes across the region. Thirty-three new homes have been completed in that timeframe, and over 100 are under construction. This progress is a result of strong partnerships and creative thinking across the region along with Planning District Commission (PDC) grants from Virginia Housing.

PDC grants first came about in 2021 when Virginia Housing awarded a \$40 million grant program to Virginia's 21 Planning District Commissions (PDCs) to stimulate regional affordable housing initiatives. Today, the funds together with their respective PDCs have brought over 250 apartments and single-family homes to communities in Virginia, with many more on the way.

PDCs have collaborated with community partners and other stakeholders to develop and implement regional approaches to housing development in order to create new affordable homes. Virginia Housing estimates that more than 1,800 affordable units will be developed by the end of the three-year grant program. The grants are supporting projects that are identified by the PDCs and their partners to address rental, homeowner, and mixed-use housing needs in their respective regions. These include financing new affordable homeownership opportunities, renovating vacant and blighted properties, supporting the development of a regional housing trust fund, and creating upper-story housing in downtown business districts.

"The use of our PDC grants has elevated the topic of affordable housing across Virginia and spurred more regional conversations aimed at addressing the need for new housing," observes Tammy Neale, CEO of Virginia Housing. "We're proud of the projects that have come to life as a result of our investment and are excited to see the continuous impact these will have on communities across the Commonwealth."

Demand without supply

The MRPDC region includes the cities of Bristol and Galax; Bland, Carroll, Grayson, Smyth, Washington, and Wythe counties; and the towns located within those counties. The region also borders the Appalachian regions of Kentucky, Tennessee and North Carolina and includes the crossroads of Interstates 81 and 77. All of this makes Mount Rogers a prime location for current and future residents, visitors, and businesses.

According to the Mount Rogers Regional Housing Study conducted in 2022, Mount Rogers has a population of 196,722, which comprises 80,127 households. Like many com-

munities across the U.S., Mount Rogers is in real need of workforce housing; 1,000 new units are needed to match the growth in economic opportunities in the region. The housing study also analyzed the current and potential market for new homes within Smyth County, including the towns of Marion, Chilhowie, and Saltville, which concluded that the lack of new housing unit development is an issue of supply rather than demand.

Getting creative to provide affordable homes

To increase inventory, the MRPDC solicited proposals from for-profit and nonprofit developers. Funding for accepted applicants has come from the MRPDC's Housing Unit Development Trust which gained its initial funding through a \$40 million PDC grant from Virginia Housing that was distributed to PDCs across the state. MRPDC was awarded a \$2 million PDC Grant, a \$1 million U.S Department of Agriculture grant and given \$500k from the Marion Economic Development Authority (EDA.) With this funding, they have implemented a creative way to engage developers and encourage ongoing affordable housing development.



BCW Properties home on Timberline Road in Grayson County.



BCW Properties home on Lonesome Dove Drive in Woodlawn, VA – between Hillsville and Galax.

Virginia Housing grants

Housing development director at MRPDC, James Moss, notes, “The way we have used this PDC grant to leverage continuous housing development is unique in that the initial funding from the grants allows homes to be built and sold, funneling those profits back into the trust for future housing.”

This creativity has quickly inspired developers to invest in Southwest Virginia. Brad Cole, co-owner of BCW Properties, has been a project manager on the new build homes his company is developing in Galax. “When we applied for funds from the MRPDC, we knew it was an opportunity to fulfill a need in the area for affordable housing.

It’s easier for residents now to find new build homes with this program and it’s also helping with the shortage of homes in our area.”

With Galax being the hub of employment for all surrounding counties in the area, it’s fitting that in addition to the BCW Properties single family homes built, R&K Land Developers has also developed homes in the hills of Woodlawn – conveniently located between Hillsville and Galax. Beyond these hills, there are also four duplexes built in Wytheville by G.W. Hill Construction LLC and Brewer Construction LLC. Inspired by the increased housing stock, new businesses have started popping up. Specialty restaurants, boutiques, and the area’s first membership-based car wash chain have established roots in the area. In Wythe, Grayson, and Smyth counties, 21 homes built for \$245k-\$320k were under contract before they were even finished with most buyers being young professionals with families who relocated to the area for employment and needed housing.

Ken Heath, executive director of community and economic development for Marion, observes, “Nobody expects that in Southwest Virginia there will be newly developed units going for sale because no one has seen it in decades. But we are making that happen for this community and we’ll continue to work at it until the housing stock is where it needs to be.”



R&K Land Developers single family home on Coulson Church Road in Woodlawn, VA.



GW Hill Construction, LLC and Brewer Construction, LLC duplexes. Pictured here, right and below (kitchen) is one of four duplexes built in the development in Wytheville, VA.



Wytheville Housing and Redevelopment Authority rental units funded by Virginia Housing PDC grant.

Renewing “America’s Coolest Hometown”

One specific case study of an effort to ease the shortage of workforce housing in the Mount Rogers region can be found in the Town of Marion. There, the EDA, in partnership with the Town of Marion and the Marion Redevelopment and Housing Authority, is turning blighted buildings into safe and affordable housing for residents.

Since the early 1990s, a number of neighborhoods on Marion’s south side have deteriorated. To add to that, Marion has many traditionally well-maintained houses falling into disrepair across town. It has been difficult for the community to stay on top of the problem over the long term due to the natural decline of very old buildings that require owners, renters and landlords to do their part with ongoing maintenance. All told, there’s a real need to address blight and stop its spread.

Thankfully, the EDA has found a way forward. Through its innovative Blighted, Abandoned, Underutilized and Derelict Properties (BAUD) program, dubbed “Renew Marion,” the authority is purchasing substandard and unsafe residential, commercial, and municipal properties and repurposing them into safe and sustainable housing stock. This program also demolishes existing structures that are unlivable



Deteriorated Homes on Church Street in Marion.

Marion Economic Development Authority
BAUD Home Ownership Program

WHY RENT when you could **BUY A NEW HOME**
or one of our **Newly Renovated Homes**

Special Financing Opportunities – Brand New Construction – Newly Renovated Homes
First-Time Home Buyers Programs – Housing Counseling Programs



Don't Let This Opportunity to Own a Home in the Town of Marion pass YOU by.

Ready to make the jump from renting to owning? Turn your rent into an investment in one of the new modular homes or one of the newly renovated homes the Marion Economic Development Authority has to offer. Be a part of the up-and-coming neighborhood communities in the Town of Marion.

Take advantage of the special financing opportunities targeted towards *First-Time Homebuyers, Seniors, Veterans, and those who are relocating to Marion for employment in the business and industry in the area.*

Contact James Moss at 276-783-5103 or JMoss@MRPDC.org

Marion Economic Development Authority BAUD Program
In collaboration with
Smyth County Economic Development Authority – Grow Smyth CO Program



Shown with Optional Exterior Features and Landscaping. These are artist renditions for sales purposes only. Refer to working drawings for actual dimensions.

Interested in applying for a home of your own in one of Marion EDA's neighborhoods?

<p>STEP #1</p> <p>Find Out if You Qualify For One Of The Special Housing Incentives</p> <p>Contact: James Moss Housing Director Mount Rogers Planning District Commission 276-783-5103 jmoss@mrpdc.org</p>	<p>STEP #2</p> <p>Get Approved For a Home Loan</p>	<p>STEP #3</p> <p>Pick Out The Home of Your Choice From The Selections Of Housing Options</p>	<p>STEP #4</p> <p>Move Into Your New Home and Start Enjoying The Benefits of Homeownership!</p>
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Marion EDA would like to recognize their housing partners:





Replacement homes that are going on the sites in Marion.



and builds new homes on the property which will be sold under the BAUD Home Ownership program. Currently, 10 modular homes have been prefabricated and are ready to be set on their foundations. A total of 30 are expected to be built under the program. Properties addressed by the BAUD program are affordable workforce housing, with preference going to first-time homebuyers, veterans and seniors – all markets that were identified as being underserved in the housing study. Revenue from the sale of these properties goes to replenish the housing unit development funds, creating a cycle through which Marion is building back the heart of its community and paving the way for future economic and cultural growth.

On Marion's Main Street, the owners of Wooden Pickle Food and Spirits utilized \$75,000 in PDC funds to build four apartments over the business, generating considerable interest from developers in creating mixed-use/mixed-income properties in Smyth County.

Marion Town Manager Bill Rush notes, "Our intention is that the focus on how we're getting innovative with this funding and investing in Smyth County and the Town of Marion will show that putting more housing into the community will affect the local economy in a positive way. I'm looking forward to seeing how it turns out."

About the author: *Adrian Robinett is the public relations manager for Virginia Housing*



Wooden Pickle Food and Spirits in Marion.