



Investing in Your Community, in Your Neighborhood, in Your Future

Former Tobacco Manufacturing Plant Provides Affordable Housing for Families in Richmond



BY THE NUMBERS

Adaptive Reuse: 134 units
Private Equity Investment: \$12,896,626

During Construction

Local Jobs Supported: 165
Local Government Revenue: \$1,116,180

Projected Ongoing Annual Effect

Local Jobs Supported: 41
Local Government Revenue: \$595,350

Richmond, Virginia, incorporated in 1742, has the distinct honor of being America's oldest major city. Patrick Henry, one of the US Founding Fathers, famously declared at St. John's Church in Richmond, "Give me liberty or give me death," leading into the Revolutionary War. Today, Richmond is a thriving metropolis with a population of almost 224,000. Like most cities, Richmond saw a sharp decline in the economy during the recession of 2009. Although the economy has been rebounding since 2010, and unemployment is steady at 4 percent, quality, affordable housing is still in high demand. Given this, the rehabilitation of American Tobacco Lofts is a perfect addition to this bustling community.

American Tobacco Lofts, located just south of the James River in downtown Richmond, is the first phase of the adaptive reuse of a former tobacco manufacturing, storage, and research facility. The completed restoration consists of 135 affordable units of housing for families earning 30 to 80 percent of the Area Median Income. The units will be a mix of 62 one-bedroom/one-bathroom units, 3 one-bedroom/one and a half bathroom units, 69 two-bedroom/two-bathroom units, and 1 three-bedroom/two-bathroom unit. The units will feature full kitchens, washer and dryer connections, wood or stained concrete floors, and internet service. In addition, the development will include a community building, car wash area, business center, fitness center, picnic area, and dog run.

The development of this project was a joint venture between the Mary Day Wilkinson 2013 Irrevocable Trust (Tom Wilkinson performed development work), Walter Parks, Dr. Christian Shield (Caduceus Development, LLC), Petersburg Community Development Corporation, and Vie Lowden. The property will be managed by S.L. Nusbaum Realty Company.

American Tobacco Lofts is located in the Port City neighborhood along historic Route One. Residents have access to an abundance of desired services including schools, a hospital, grocery stores, and public transportation. The newly renovated buildings located on 4 acres of a larger 11-acre historic tobacco warehouse complex brings high quality, affordable apartments to a neighborhood that needed it the most. Residents will be able to enjoy their beautiful, safe homes for many years to come.



The renovated buildings provide unique features to each unit including large picture windows.



American Tobacco Lofts sits on an 11-acre historic warehouse complex.

The Need for Affordable Housing Is Critical

Housing Landscape 2017 from The Center for Housing Policy reveals that in 2015, 46 percent of households spent more than half of their income on housing, almost one-third higher than in 2000. Even though the median income of working renters increased by 11 percent from 2012 to 2015, rents increased by 5.7 percent during that time period, leading to only slight improvements in housing affordability. As we continue to remember the LIHTC program's excellent track record and its essential roll in developing and preserving affordable housing.

What Is the LIHTC?

Created by Congress as part of the Tax Reform Act of 1986, the Low Income Housing Tax Credit (LIHTC) generates private capital investment used to finance the construction and rehabilitation of affordable rental housing for households earning 60% or less of the area median income. According to the Joint Center for Housing Studies at Harvard University, the housing tax credit is "widely regarded as the most successful housing production and preservation program in the nation's history." Since it was enacted, the LIHTC program has led to the development of nearly 2.3 million units of affordable housing.

In addition to providing safe, decent, and affordable housing for working-class families and seniors on limited incomes, the economic impact of the LIHTC program is visible in communities throughout the country. The development of affordable housing increases spending and employment in the local economy. The National Association of Home Builders estimates that for every 100 units constructed with low-income housing tax credits, 116 jobs are created and more than \$3.3 million in federal, state, and local revenue is generated. Moreover, affordable housing can affect an employer's ability to attract and retain employees. LIHTC investment plays a significant role in community revitalization, which in turn can improve economic opportunities for local residents.

Who Is CAHEC?

One of the nation's leading nonprofit equity syndicators, CAHEC helps finance the development of attractive and affordable rental housing. Headquartered in Raleigh, N.C., CAHEC works with investors and developers in eleven states and the District of Columbia to raise and invest capital in affordable housing, historic preservation, and mixed-use community revitalization projects. Since its founding in 1992, CAHEC has raised and committed more than \$2.3 billion toward the development of nearly 32,000 units of affordable housing.

How Tax Credits Flow



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