



Virginia Community Capital



Framing the Problem

Challenges and Opportunities in Disability Housing and Social Services

The Challenges

- Most Bankers don't understand the financial support that housing and social service providers receive to meet the needs of individuals with disabilities or have not taken the time to understand the programs associated with helping individuals with disabilities.

What is Medicaid and just what are housing choice vouchers?

The Challenges

- The fact that Medicaid provides funding for a large percentage of the target population makes Bankers “uneasy” as Medicaid funding is always a topic in the news as “underfunded or soon to be underfunded,” and up for periodic discussion or renewal.
- Medicaid funding has become a major budgetary issue for many states over the last few years.
- Bankers interpret this to mean “unstable.”

The Challenges

- Most Banks have a rigid underwriting protocol that is oriented to the general market and are leery of a project that is narrowly targeted/designated for the disability population.
- The fact that the target market does not have a “job” is a stigma that makes traditional bank underwriting “uneasy.”

The Challenges

- Finally, most providers come from Social Service backgrounds and don't understand how to talk with Bankers, don't understand what Bankers need to underwrite a project or how to speak the "banking" lingo.

In Summary

- **Bankers don't understand programs and need educating or at least some tools.**
- **Stigmas have to be overcome.**
- **Social Service providers need to become more "bank savvy."**

Contact

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