

ATLANTA DEVELOPMENT AUTHORITY

Funding Application

Housing Opportunity Fund Multifamily Loan Program Community Housing Development Organizations (CHDO)

This package includes:

Program Description
Application

www.AtlantaDA.com

Submit one (1) Copy of the application in 3 ring binder and one (1) Electronic
Application to:

The Atlanta Development Authority
Attn: Housing Finance Sr. Housing Development Manager
CHDO Multifamily Loan
86 Pryor Street, SW Suite 300
Atlanta, GA 30303

Multifamily CHDO Loans

Financing from Housing Opportunity Fund proceeds are available to Community Housing Development Organizations (CHDOs) as they seek to finance in part the acquisition, construction, or renovation of multifamily housing for low and moderate income families. The total amount of the loan may not exceed 50% of the total costs of the housing project financed by such loan. CHDOs must obtain, through a firm commitment, a secure funding source for the balance of the total costs of the project.

Eligibility Criteria

Eligible Applicants Must:

- Be organizations designated by the City of Atlanta as a community housing development organization (CHDO) as of January 1 of the year in which the CHDO loan is made
- Be a CHDO who acts as owner, developer, or sponsor of an affordable housing project

Eligible Properties Must:

- Be located within the City limits of Atlanta. URFA will encourage CHDOs to plan/develop projects that are located in the following areas:
 - Economic Development Priority Areas
 - Qualified Census Tracts or Difficult to Develop Zones
 - Adjacent to mass transit (Transit Oriented Development)
 - Within newly created or existing Tax Allocation Districts (TAD)
 - Areas that stimulate comprehensive neighborhood revitalization;
- Serve a population at or below 60% of Area Median Income for rental housing projects, with a minimum of twenty percent (20%) of the units set aside for this population;
- Provide for long-term affordability provisions of 15 years or more.
- Demonstrate on the application plans to incorporate energy conservation measures, energy efficient appliances, and/or LEED certification.

Eligible Loans:

- May finance, in part, the acquisition, construction, or renovation of multifamily housing for low and moderate income families;
- May not exceed 50% of the total capital expenditures (excluding fees paid to a CHDO or its Affiliates);
- May be used for multifamily developments and will not be made or unconditionally committed to be made unless secure funding sources are identified for the balance of the total project cost of the housing project;
- Will be evidenced by a promissory note and shall be secured by a deed to secure debt; and
- Will have a fixed below market interest rate for the loan term.

Implementation

The loans will be received, underwritten, approved and serviced by the Urban Residential Finance Authority. All CHDO loans will be underwritten using URFA's underwriting guidelines and policies for such loans, inclusive of third party independent appraisals and environmental phase one reports.

Priorities/Principles for Funding Decisions:

1. Program Purpose - All projects must help the city achieve the purpose of the program as defined above.
2. Project Readiness - Preference/ priority will be given to projects that demonstrate an immediate ability to move forward with the development and a targeted closing date. Factors such as site control, zoning approvals, city permit status and commitment of other funding sources needed for a successful project will be considered.
3. Development Timetable - All funds will be distributed on a reimbursement basis pursuant to a defined, approved timetable.

Application Process

Complete the Pre-Application form on our website at www.AtlantaDA.com and submit the form to ADA.

The form will be reviewed by ADA staff and a project meeting will be scheduled regarding the project. If it is determined that the project and the funding request are compatible, a funding application may be submitted for review and consideration.

Applications are located on the ADA website, www.AtlantaDA.com and must be completed according to the guidelines. Eligible projects must be located within the city limits of Atlanta.

Amount of Loan Available per Development

There is no maximum amount per development. Staff will evaluate each request and make recommendations based on funding availability, other funds leveraged and overall project worthiness.

Neighborhood Planning Unit (NPU)

The developer must have presented the project to the full Neighborhood Planning Unit in whose jurisdiction the development is located. A letter of support or non support must be included with the application. The letter must be dated within three months of the application.

Loan Repayment Terms

The amount, terms and conditions of the loans will be determined on a project by project basis, based on financial feasibility and project cash flows.

Review of Application for Completeness and Process

Applications must be complete.

An application must be complete, based on the requirements in this Program Description and the attached Application. **All incomplete applications will be returned to the applicant.**

Responsibility for complete and current information.

It is the sole responsibility of the applicant to submit a complete application with current information. The ADA staff reserves the right to request additional information or documentation as needed to complete the application assessment. Only complete applications will be considered for funding.

Review Process

The ADA staff will review all applications submitted and recommend projects for approval.

Readiness to Proceed

- Firm commitment letters received from all lenders. The letters must be dated within three months of the application.
- Term Sheet detailing the specific terms of the transaction.
- Documentation that formal site development plans are ready for submission to the City of Atlanta.
- Firm Construction Budget and Construction Contract
- 30 year pro forma.

Fees and Charges

An Funding Application fee in the amount of \$500.00 made payable to the Urban Residential Finance Authority must be submitted with the application. **The Application Fee is non-refundable.** There is a \$500 closing fee.

**For More Information call:
Rita B. Gibson, Sr. Housing Development Manager
Atlanta Development Authority 404.588.5469**

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Multifamily Loan Program
Community Housing Development Organization (CHDO)**

TAB A - APPLICANT INFORMATION

ATLANTA DEVELOPMENT AUTHORITY

**APPLICATION FOR
Housing Opportunity Bond Fund – CHDO Multifamily Loan**

NAME OF PROPOSED PROJECT: _____

APPLICANT INFORMATION

A. Name of CHDO: _____

B. Address of CHDO: _____

C. Designated Contact Person: _____ Title: _____

Email Address: _____ Office Phone: _____ Cell: _____

Address: _____

D. Neighborhood(s) Served: _____

Legal Form:

For-Profit Corporation Not for Profit Corp. Limited Partnership Joint Venture

E. Project Team

Property Manager:

Firm: _____ Phone: _____

Contact Person: _____ Email: _____

Architect:

Firm: _____ Phone: _____

Contact Person: _____ Email: _____

Physical Needs Assessment Firm: (if required)

Firm: _____ Phone: _____

Contact Person: _____ Email: _____

General Contractor:

Firm: _____ Phone: _____

Contact Person: _____ Email: _____

Owner's Closing Attorney:

Firm: _____ Phone: _____

Contact Person: _____ Email: _____

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TAB B - PROJECT INFORMATION

PROJECT INFORMATION

A. Name of Project: _____

B. Property Address: _____

C. Census Tract: _____ Council District: _____

D. NPU: _____ Direct Access to mass transit? ____yes ____no

E. 1. CHDO Funding Uses - Choose all that apply:

- Acquisition Conversion
- New Construction Rehabilitation

2. Narrative Description of Use of Funds (1 page limit)

3. If acquisition and/or rehabilitation were selected, is the project occupied?

No____ Yes____ N/A____

If yes, describe relocation plans. (Use separate sheet if necessary)

Total Hard Rehabilitation or Conversion Costs _____ Total # Units _____

F. Total Project Composition:

	<u>Number</u>	<u>Percent</u>
Total Residential Units:	_____	_____
Multifamily Rental Units:	_____	_____
Market Rent Units:	_____	_____
Affordable Units:	_____	_____
Commercial/ Retail (square footage)	_____	_____
Supportive Housing Units:	_____	_____

G. Manager/Employee Units: Are there one or more manager or employee units in the project?

No _____ Yes _____ If yes, how many? _____ Unit Type(s): _____

H. Breakdown of units by square footage and monthly rent

# of Bedrooms	# of Baths	Square Feet Per Unit	# of Units Per Bedroom Type	Rent	Percent of Units
TOTALS					

L. Project Amenities

1. Indicate below all resident activities and amenities that will be provided. Detailed narrative descriptions may be included in an attachment directly behind Tab B.

Yes

No

Daycare Facility

Community/Meeting Room

Central Laundry Facility/ Washer-Dryer Hookups

Counseling Room

Service Provider Offices

Other Meeting Rooms

Tot Lots

Fitness Room

Business/Computer Center with Internet Access

After School Program for Children

Immediate Access to Mass Transit

Other (Specify)

- M. Project Design. Check the one design that best describes this Project:

Garden Apartments

Conversion

Townhouses

Lofts

Other:_____

- N. Project Size. Identify total acreage and units per acre of entire project

- O. Additional Documents. Please provide hard copies of the following.

1. Existing Site Photographs
2. Project Renderings or Conceptual Drawing (If Available)
3. Map Showing Project Location
4. Legal Description of the Property

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TAB C - PROJECT INFORMATION

PROJECT FINANCING/PROPOSED STRUCTURE

	Acquisition	New Construction/ Rehabilitation/ Conversion	Furniture/ Fixtures and Equipment	Soft Costs/ Financing Costs	TOTALS
CHDO Loan					
Tax Exempt Bonds/ Conventional Loan					
CDBG/HOME/ HOPWA/Other HUD Funding					
Federal Home Loan Bank (AHP)					
Private Donations					
Other _____					
TOTALS					

A. If HOME, CDBG, TAX CREDITS, AHP, HUD, HOPWA and/or other funding is Explain below whether the funds have been committed, or are being sought in a future funding cycle.

Explanation of HOME, TAD, TAX CREDITS, AHP, HUD, HOPWA, or other funding.

If HOME, TAX CREDITS, AHP, HUD, HOPWA and/or other funding is shown as already committed, attach a letter or executed contract from the appropriate governmental entity detailing the commitment, including the dollar amount, source of funding, conditions of funding (including income and/or rent restrictions), whether the funding is a loan or a grant, and if a loan, the interest rate, loan term, amortization, and payback schedule. Attach the letter(s) under Tab C.

B. If HOME, CDBG, TAX CREDITS, AHP, HUD, HOPWA and/or other funding is shown and is not firmly committed, attach an explanation of how the development will be completed without those funds. This includes funds needed to complete public improvements such as sewer lines, streets and sidewalks. Attach the explanation under Tab C.

Is the Applicant able to complete the project if those funds are not received?

Yes _____ No _____

C. Rental Assistance.

1. Are Housing Choice Project Based Vouchers anticipated for this project?

No _____ Yes _____ If yes, specify number of units to be requested _____.

Status of Request _____

2. Describe other source of rental assistance _____.

D. Current Project Debt

1. Is there current debt associated with the project? Yes _____ No _____

Loan Balance(s): _____ Monthly Debt Service _____

Remaining Term: _____ Describe source of revenue anticipated to service this debt. _____

E. New Primary Lender Information

Lender: _____

Term: _____ Rating: _____ Loan Amount Requested _____

Loan Status _____

Describe source of revenue anticipated to service this debt.

- F. A copy of the signed Commitment Letter from the above lender, including a contact person's name, address and telephone number and credit underwriting standards, must be attached under Tab C. A Final Commitment letter must be provided prior to approval of the project.

CHANGES TO THE PROPOSED FINANCING STRUCTURE AFTER SUBMISSION MAY RESULT IN LOSS OF PRIORITY DUE TO UNREADINESS TO PROCEED.

- G. Economic Feasibility of the Project. A complete development budget must be attached under Tab C and include, at a minimum, the following:

1. Detailed Sources and Uses
2. Project rental rates/sales prices
3. Annual Operating Budget/Source of Funding
4. 15 Year Detailed Proforma
5. Detailed Total Development Cost
6. Amount of Loan Requested
7. Detailed construction/rehabilitation budget

- H. Market Feasibility of the Project. Provide information on the current demand for the proposed project. Provide data for the area within a ½ mile radius of the proposed project include the following:

1. A list of similar projects
2. Rent ranges,
3. Total units for rent
4. Occupancy rates
5. Square footage and number of bedrooms.

Provide an explanation of how your proposed project meets an unmet need in your target area. A marketing study must be provided for projects consisting of 12 units or more.

- I. Marketing Plan for the Project. Provide information regarding a month by month plan for how the units will be marketed, please include the following:

1. Marketing Events
2. Advertizing and Publications
3. Partnerships with supporting organizations
4. Media Events and Promotions
5. Marketing Agents

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TAB D - PROJECT INFORMATION

ABILITY TO PROCEED

Each application shall be reviewed for feasibility and ability of the Applicant to proceed with construction of the project.

A. Site Control

Site control must be demonstrated by the Applicant and documentation should be included under TAB D. At a minimum, an Option Agreement to Purchase must be held by the Applicant for the proposed site. Site control may be evidenced by:

_____ Option Agreement/Contract for Purchase & Sale

_____ Recorded Certificate of Title

_____ Recorded Deed

_____ Long-Term Lease: If site control is demonstrated by long-term lease, a copy of the executed lease must be provided. The lease may be contingent only upon the receipt of financing.

IMPORTANT: If title to the property is not held by the Applicant, a fully executed, enforceable contract for purchase and sale or assignment of contract must be provided which obligates the seller or assignor to transfer the site to the Applicant contingent **ONLY** upon approval of the project. If site control is evidenced by contract for purchase and sale, the Authority may give preference to those contracts that evidence ability to extend.

B. Zoning and Land Development Regulations

1. a. Is the site appropriately zoned for the proposed project? No _____ Yes _____

b. Indicate zoning designations(s): _____
Variance Required? No ____ Yes ____ If yes, please explain reason and status. _____

c. Zoning permits _____ units per acre, or _____ for the site (PUD)

d. Total Number of Units in Project: _____

2. Applicant must provide a letter from the appropriate local government official that the project is consistent with zoning and land development regulations regarding density and intended use.

C. Site Plan

1. Has the preliminary or conceptual site plan been approved by the City of Atlanta?
Yes _____ No _____

Attach copy of the site plan. Attach copy of map indicating location of project.

2. If formal site development process is underway, provide Application #_____.
Date submitted (or to be submitted) to the City _____.
3. Rehabilitation: Pre-construction analysis/detailed unit by unit scope of work prepared by a third party must be provided.

D. Environmental Safety:

1. If new construction or conversion of a building not previously used as residential, applicant must provide a Phase I environmental report. A Phase II report will be required if recommended in Phase I. The report must be no more than six months old from the date of application.
2. Has the property ever been used for storage of hazardous or toxic materials?
No _____ Yes _____
3. Are there any potential environmental hazards? No _____ Yes _____
If yes, describe: _____

E. Concurrency

Attach a letter or other certification from the local government or utility provider certifying the availability of infrastructure (electricity, gas, water, sewer capacity, roads, etc.) and capacity for the proposed project. Letters must be project-specific and dated within three (3) months of the date of the Application.

- F. Construction/Rehabilitation Period _____ months. A projected construction schedule must be included. This construction time line must describe the time frames and critical dates for financing, completion of plans and specifications, permitting, and construction of buildings and amenities.

G. Proposed Project Schedule

<u>ACTIVITY</u>	<u>DATE</u>
FINALIZE SITE PLANS & ARCHITECTURAL DRAWING	_____
FINALIZE CONSTRUCTION BUDGET	_____
SECURE ALL NECESSARY LOCAL APPROVALS	_____
OBTAIN FIRM LENDER COMMITMENT(S)	_____
HOUSING OPPORTUNITY COMMITTEE APPROVAL	_____
URFA BOARD APPROVAL *	_____
CLOSING	_____
START CONSTRUCTION OR REHABILITATION	_____
COMPLETE CONSTRUCTION OR REHABILITATION	_____
START LEASE-UP	_____
PROJECT STABILIZATION	_____

**Required for funding requests over \$500,000.*

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TAB E - PROJECT INFORMATION

PROJECT TEAM EXPERIENCE

- A. The past performance record of the Project team (which consists of Applicant, Management Agent, Service Provider, General Contractor, Physical Needs Assessment Firm, Architect/Engineer) will be carefully reviewed.

1. Experience of CHDO/Joint Venture Partner

Name: _____

a. Fill out the attached chart.

b. Provide copies of financials for the last two years, one of which must be audited.

c. Has the Applicant or any of the principals of the Applicant been associated with any development that has gone into default or given "troubled project" status? Yes _____ No _____
If yes, attached a detailed explanation of the situation(s) and resolution(s).

d. Has the Applicant or any principal of the Applicant been involved in any legal proceedings in the last three (3) years to include bankruptcy, judgments, tax liens, etc. If yes, attach a detailed explanation.

2. Experience of the Management Company

Name: _____

a. Fill out the attached chart.

b. Has the Management Agent or any of the principals of the Management Agent been associated with any development that has gone into default or given "troubled project" status? Yes _____ No _____
If yes, attached a detailed explanation of the situation(s) and resolution(s).

c. Has the Management Agent or any principal of the Management Agent been involved in any legal proceedings in the last three (3) years to include bankruptcy, judgments, tax liens, etc. If yes, attach a detailed explanation.

3. Experience of General Contractor.

Name: _____

- a. Fill out the attached chart.
Attach executed construction contract under Tab E.
- b. Has the General Contractor or any principal of the General Contractor been involved in any legal proceedings in the last three (3) years to include bankruptcy, judgments, tax liens, etc. If yes, attach a detailed explanation.

4. Experience of Physical Needs Assessment Firm.

Name: _____

- a. Fill out the appropriate attached chart.
Attach executed contract under Tab E.

5. Experience of Architect or Engineer.

Name _____

- a. Fill out the appropriate attached chart.
Attach executed contract under Tab E.

EXPERIENCE OF CHDO

Name: _____

Project Name/Location	Year Completed	# of Units	# of Asst. Units	New Const. or Rehab	Design type Single/ Multifamily	Sources of Financing

ATTACH ADDITIONAL SHEETS IF NECESSARY

EXPERIENCE OF MANAGEMENT COMPANY

Name: _____

Project Name/Location	# of Units	# Assisted Units	Source of Project Funding	Period Managed

ATTACH ADDITIONAL SHEETS IF NECESSARY

EXPERIENCE OF GENERAL CONTRACTOR

Name: _____

Project Name	Location (City, State)	# of Units	New Const. or Rehab	Design Type	Year Completed

ATTACH ADDITIONAL SHEETS IF NECESSARY

EXPERIENCE OF PHYSICAL NEEDS ASSESSMENT FIRM

Name: _____

Project Name	Location (City, State)	# of Units	Design Type	Year Completed

ATTACH ADDITIONAL SHEETS IF NECESSARY

EXPERIENCE OF ARCHITECT OR ENGINEER

Name: _____

Project Name	Location (City, State)	# of Units	New Const. or Rehab	Design Type	Year Completed

ATTACH ADDITIONAL SHEETS IF NECESSARY

MINORITY/WOMEN BUSINESS ENTERPRISES

Company Name	Address	Phone #	Contact Person	Type of Work

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TAB F - CERTIFICATION

CERTIFICATION

(Original Signatures Required)

The undersigned Applicant certifies that the information in this Application is true, correct and authentic.

THE APPLICANT FURTHER ACKNOWLEDGES HAVING READ THE APPLICABLE PROGRAM GUIDELINES AND ACKNOWLEDGES HAVING READ THE INSTRUCTIONS FOR COMPLETING THIS APPLICATION.

THE UNDERSIGNED REPRESENTS AND WARRANTS THAT THE INFORMATION PROVIDED HEREIN IS TRUE AND ACCURATE. THE PERSON EXECUTING THIS DOCUMENT REPRESENTS THAT HE OR SHE HAS THE AUTHORITY TO BIND THE APPLICANT AND ALL INDIVIDUALS AND ENTITIES NAMED HEREIN TO THIS WARRANTY OF TRUTHFULNESS AND COMPLETENESS OF THE APPLICATION.

THE APPLICANT ACKNOWLEDGES THAT THE INVITATION TO SUBMIT AN APPLICATION DOES NOT CONSTITUTE A COMMITMENT TO FUND THE PROPOSED PROJECT.

Applicant

Date

Signature of Witness

Name and Title (typed or printed)

Witness Name (typed or printed)

Note: Original application must contain an original signature penned in blue ink.