

ATLANTA DEVELOPMENT AUTHORITY

Pre-Funding Application

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

Submit one (1) Copy of the pre-application in 3 ring folder and one (1) Electronic

Send the Pre-Application to:
The Atlanta Development Authority
Attn: Housing Finance Program 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:

- Program Purpose - All projects must help the city achieve the purpose of the program as defined above.
- 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.
- 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 Pre-Application 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. However loans cannot exceed more than 50% of the project costs. Staff will evaluate each request and make recommendations based on funding availability, other funds leveraged and overall project worthiness.

Neighborhood Planning Unit (NPU)

The CHDO 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.

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.

Review Process

The ADA staff will review all applications submitted and recommend projects. Funding request over \$500,000 will require URFA Board for approval.

Criteria

Readiness to Proceed

- Firm commitment letters received from all lenders.
- 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
- Multi-year pro forma.

Fees and Charges

Application Fee - There is no Pre-Application fee. A Funding Application fee in the amount of \$500.00 made payable to the Urban Residential Finance Authority must be submitted with the Funding Application. **The Funding Application Fee is non-refundable.** There is a \$500.00 closing fee.

**For More Information call:
Tyrone Roderick Williams, Program Manager
Atlanta Development Authority 404.588.5470**

ATLANTA DEVELOPMENT AUTHORITY

Pre-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

Architect:

Firm: _____ Phone: _____

Contact Person: _____ Email: _____

Physical Needs Assessment Firm: (if required)

Firm: _____ Phone: _____

Contact Person: _____ Email: _____

General Contractor:

Firm: _____ Phone: _____

Contact Person: _____ Email: _____

EXPERIENCE OF CHDO

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

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

F. 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 _____

G. 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:	_____	_____

H. Project Design. Check the one design that best describes this project:

Garden Apartments Conversion Townhouses
Lofts Other: _____

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

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					

J. If HOME, CDBG, TAX CREDITS, AHP, HUD, HOPWA and/or other funding is being proposed, 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.

K. Rental Assistance. Describe sources of rental assistance. _____

L. Economic Feasibility of the Project. A preliminary development budget must be attached and include, at a minimum, the following:

1. Project Rental Rates
2. Amount of Loan Requested
3. Preliminary Construction/rehabilitation Budget

M. 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.

N. Site Control. 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.

O. Is the site appropriately zoned for the proposed Project? No ____ Yes ____

P. Site Plan. Has a preliminary or conceptual site plan been developed?

Yes ____ No ____

If yes, Attach copy of the site plan. Attach copy of map indicating location of project.

Q. Are there any potential environmental hazards? No ____ Yes ____

If yes, describe: _____

R. Has a Phase I Environmental Review been conducted on the site? Yes ____ No ____

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.