

Development Plan Review

An approach to funding application creation
and robust review

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Workshop Agenda

- Importance of a thorough review
- Timing of application and review
- The application review team
- Site evaluation
- Project feasibility evaluation
- Public benefit evaluation
- Applicant evaluation
- Designing the application/RFP
- Post-review process



Importance of Review and Timing

Importance of Review

- **Safety of investment of public funds**
- **Make sure the project meets program goals, guidelines and requirements**
- **Ensure funds will be expended in a timely and cost-effective manner**
- **Understand the details of the project**

Timing of Review

- In context with SHIP expenditure requirements
- In context with anticipated Florida Housing Finance Corporation RFA timelines
- In context with other local funding expenditure requirements (federal entitlements, infrastructure surtax, etc.)



The Application Review Team

Poll #1



Approach to Building the Review Team

Ability to proceed!

Potential Members of the Team

- **Housing Staff**
- **Social Services Staff**
- **Planning Staff**
- **Building Department**
- **Economic Development**
- **Legal**



Site Evaluation

Site Evaluation: Housing, Economic Development and Social Services

- **Location of proposed development**
 - **Desirability of neighborhood**
 - Jobs
 - Transportation
 - Schools
 - Shopping
 - Healthcare
 - Access to other service providers
 - Location within geography for local initiatives
- **Location in relation to similar developments**

Site Evaluation: Planning and Building

- **Is the site currently zoned for intended use?**
 - If not, steps and timing to obtain
- **Are there adequate utilities to support the development**
- **Other anticipated infrastructure needs**
- **Permits required and timing to obtain**
 - Site Plan
 - Environmental
 - Final Building
- **Anticipated Impact fees and all other planning/zoning costs**

Site Evaluation: Environmental

- Previous and current use
- Existing buildings/structures on site
 - Age/type
 - Will they be demolished or incorporated?
- Are there any environmental constraints (known at the time)
 - Wetlands
 - Endangered species
 - Brownfields
 - Hazardous materials

Site Evaluation: Legal

- **Confirm adequate site control**
 - Review purchase and sales contract(s)
- **Confirm no issues with land ownership**
 - Trace title history
 - Known easements
 - Any known encumbrances
- **Confirm legal use is proposed (additional cross check of land use and zoning)**



Project Feasibility Evaluation

Feasibility: Market Analysis

- **Occupancy of similar developments**
- **Current condition and trajectory of neighborhood**
- **How proposed development compares to like developments**
- **Key items in Market Study**
 - **Anticipated absorption rate**
 - **Rents or sales prices**

Feasibility: Financial Analysis (Uses of Funds)

- Acquisition/Land Costs
- Hard (construction) costs and contingencies
- Architectural design and supervision
- Financing costs
- Permitting and zoning
- Insurance
- Relocation (if acquisition/rehab)
- Reserves
- Developer Fees

Feasibility: Financial Analysis (Sources of Funds)

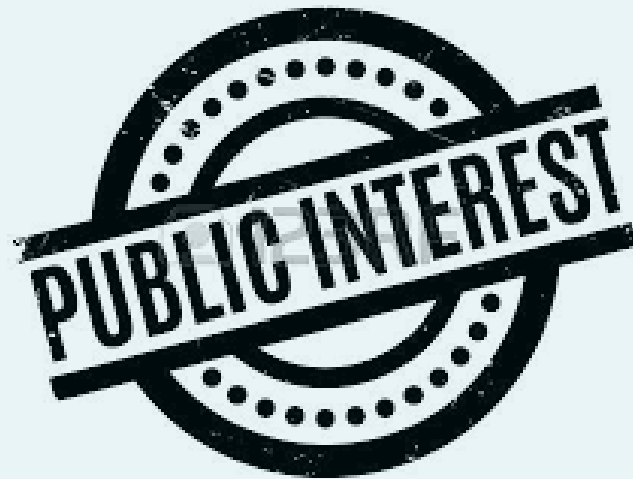
- Are anticipated sources adequate to cover costs
- What percentage of costs will funding cover
- Are anticipated sources reasonable or probable
- Are there commitments for other sources

Feasibility: Financial Analysis (Operating Budget)

- Are rents in line with SHIP or other funding source requirements
- Are there other sources of income
- Are operating expenses reasonable (refer to market analysis, appraisal, knowledge of other developments)
- Is net operating income sufficient to meet debt service coverage requirements

Poll #2





Public Benefit Evaluation

How the project benefits the community

- **Target market served**
 - Is it an underserved market
 - Is this population a community priority
- **Does it promote stated goals in planning documents**
 - Housing Element of comprehensive plan
 - Land Use
 - Consolidated Plan/Assessment of Fair Housing

How the project benefits the community

- Does the project promote economic development goals
 - Job creation
 - Focus of other public investments
 - Geographic area of opportunity
- Are there agreements with service providers
- Is there general community support



Applicant Evaluation

Evaluating the Applicant

- Does the applicant meet minimum threshold requirements for local funding (i.e. nonprofit in existence for at least two years with affordable housing as part of its mission)
- Does the applicant meet minimum threshold requirements for other proposed funding sources?

Evaluating the Applicant

- **Staff Capacity**
 - Key staff has qualifications needed to carry out the project
 - Organizational chart indicates additional staff and report chain for key contacts
- **Board Capacity**
 - Expertise of Board fills or augments knowledge and skills of staff
- **If partnership or joint venture**
 - Split in ownership and/or division of responsibilities will facilitate effective execution of project

Evaluating the Applicant

- **Financial Capacity**
 - Audited Financial Statements indicate stable finances with strong internal controls
 - Current finances and balance sheet in good shape
 - Ability to guarantee financing
- **Track Record**
 - Has applicant completed a similar project before
 - Status of previously funded projects



Designing the Application

Elements of a Good Application

- Detailed description of funding being offered
 - Amount (total available and per project/per unit limits)
 - Target population
 - Tenure
 - Who is eligible to apply
 - Funding timeline

Elements of a Good Application

- **Applicant information**
 - Name of entity
 - Evidence the entity exists
 - Articles of Incorporation
 - 501c3 Letter
 - EIN
 - Mission/Vision statements
 - Job descriptions/resumes of key staff
 - Staff Organization Chart
 - List of Board Members with short description of expertise

Elements of a Good Application

- **Applicant Information continued**
 - **If joint venture or partnership**
 - **Ownership chart**
 - **MOU, Development Agreement or other formal agreements previously executed**
 - **Audited financial statements (at least 2 years)**
 - **Current profit/loss statement and balance sheet**
 - **List of similar projects (if applicable)**

Elements of a Good Application

- **Development Team (include copies of agreements if signed)**
 - **General Contractor**
 - **Architect**
 - **Engineer**
 - **Property Manager (include information on prior affordable housing experience)**
 - **Other consultants**

Elements of a Good Application

- **Development information**
 - Address/Folio
 - Number of units and tenure
 - Development type (new construction, acquisition/rehab)
 - Target population (family, senior, special needs, etc.)
 - Planned unit mix with income levels served and rent/sales price breakdown
 - Photos of the site
 - Site plan (if available)
 - Planned on-site amenities and services

Elements of a Good Application

- **Financial information**
 - Development Pro Forma
 - Operating Pro Forma (indicate ability to cover all anticipated debt service)
 - Commitment letters for other funding sources
- **Planning/Zoning/Environmental**
 - Letter from Planning/Zoning
 - Any approvals already received
 - Phase 1 evaluation
 - O&M Plans (if available and applicable)
 - Flood zone/radon zone maps

Elements of a Good Application

- **Other information**
 - Recent market study and/or appraisal
 - Recent survey
 - Written agreements with service providers
 - Letters of support from other community stakeholders
 - If applying for FHFC multifamily funding
 - State location within SADDA, RECAP and/or QCT
 - Proximity map
 - Proximity scoring

Poll #3





Post-Review Procedures

After Your Initial Review

- **Eliminate non-threshold or incomplete applications**
- **Develop list of follow-up questions**
- **Complete final review and provide preliminary awards on conditions of:**
 - **BOCC/Council Approval (if required)**
 - **Firm commitment of other funding**
 - **Provision of any necessary information not provided in original application**

Final Approval and Closing

- Draw up closing documents with Legal Department
 - Should incorporate requirements of RFP
 - Should incorporate special elements of development such as services/amenities
 - Should include all reporting forms
- If seeking FHFC funding, receive credit underwriting report
- Participate in closing calls



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The Nonprofit Capacity-Building Team

Our Vision: At least one active, viable community-based organization plays an important role in delivering affordable housing and related services in each community.

Meet the Team!



Gladys Cook



Pamela Jo
Hatley

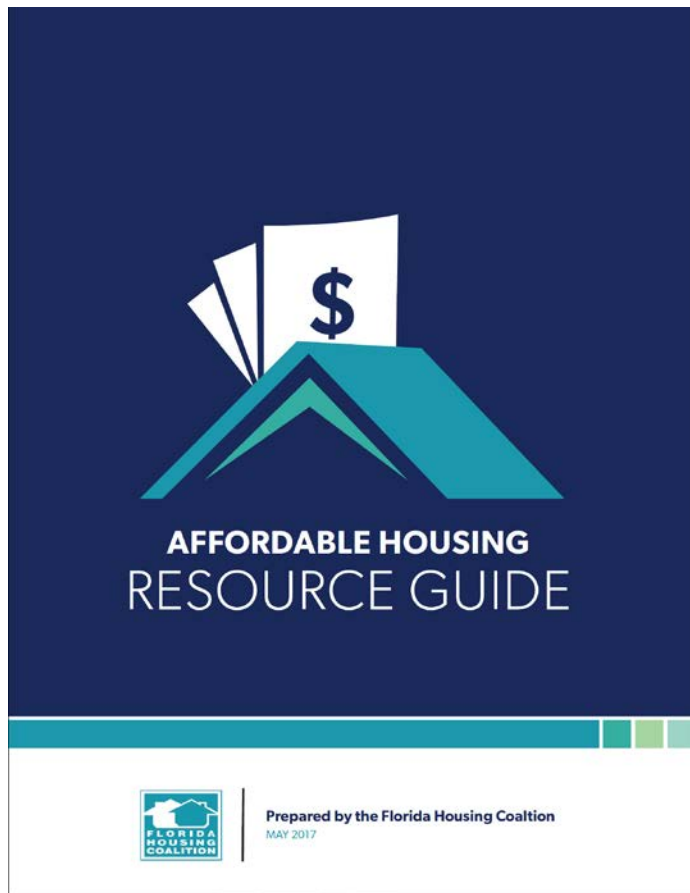


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FHC Resources



COMING SOON:

**Guide to Credit
Underwriting for
Affordable Housing
Projects in Florida**