

NAIHC - 2017 LEGAL SYMPOSIUM

Planning an Affordable Housing Project

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*Housing Relationships Built to
Last*

Planning Considerations: Determining Need

- New Construction vs. Rehab project – or combination of both
- Waiting List – what does it tell you about your current housing needs
- Community surveys
- Wish lists – community buildings, playgrounds, office space for needed community services



Planning Considerations: Realistic Goals and Timelines

Develop a “real” budget to include all line items needed for your project-including:

- **Soft Costs** – Fees for: legal, accounting, architect, market study, environmental, capital needs assessment
- **Hard Costs** – Infrastructure and Construction Costs. NOTE: when developing estimates utilize recognized construction estimating resources as well as internal and local knowledge of current building costs.



Planning Considerations: Realistic Goals and Timelines

- What are the deadlines for the funding sources you wish to apply for?
- What is a realistic construction schedule based on your local weather seasons?
- What is a realistic schedule for when you will need the actual funds?



Planning Considerations: Realistic Goals and Timelines

Determining when you need to draw down funds for construction can impact the price you receive for tax credits. Examples: Percentage of completion, monthly, quarterly, etc.

NOTE: All budgets and timelines should also take into consideration what items can be handled “in-house” versus those that need to be contracted for using third parties. This will allow realistic schedules that include time for required procurement activities and internal schedule planning for in house services such as Force Account Crews



Planning Considerations: Political Support

- Provide a Project Summary that includes an overview of the planned project and how, the budget, funding sources and construction timeline.
- Explain the role that the Tribal Council / Housing Board will need to play to ensure the Project's success.
- Plan Community Meetings to provide information about planned project.

Remember: Elected leadership changes over the life of a Project. Be prepared to take the time to educate new staff, Board, and Council members about your housing programs/projects.



Planning Considerations: Determine Housing Needs – Population

- Elderly
- Families
- New Households
- Disabled
- Students
- Homeowners
- Renters
- Supportive Housing
- Homeless
- Low / Moderate / High Income



Planning Considerations: Determine Housing Needs – New Construction

- Reduce you Waiting List
- Demand
- Alleviate Overcrowding
- Homeownership
- Rental
- Green components
- Availability of Land
- Environmental Review
- Infrastructure
- Infill



Planning Considerations: Determine Housing Needs – Rehabilitation

- Homeowner Rehab
- Rental Rehab
- Manage Maintenance Costs
- Improve Energy Efficiency
- Environmental Concerns
- Increase Space
- Increase Amenities
- Accessibility



Planning Considerations: Determine Housing Needs – Community Space

- Fencing
- Housing Office
- Community Facility Building
- Playground / Basketball Court
- Walking Trails
- Social / Resident Services
- Swimming Pool
- Community Gardens
- Police/Fire Substation
- Resident Manager Unit



Planning Considerations: Determine Financing Programs

- Tribal
- NAHASDA
- ICDBG (grant)
- Low Income Housing Tax Credits (LIHTC) (equity)
- Housing Trust Funds (typically grant)
- HOME Funds (both)
- Affordable Housing Program (grant)



Planning Considerations: Determine Financing Programs

- Title VI (loan)
- Section 184 (loan)
- BIA / IHS (typically grant)
- Rural Development (both)
- New Markets Tax Credits (NMTC) (equity)
- Solar Tax Credits (equity)
- Other



Financing Strategies

- Money that doesn't have to be paid back – grants and equity
- Funding Availability and Actual Costs
- Compliance Requirements
- Competitiveness of Program
- Gap or Leverage Required
- Predevelopment and/or Bridge Funds
- Economies of Scale



Priorities and Timing

- Develop Wish List
- Prioritize Projects
 - Importance
 - Difficulty
 - Logistics
 - Funding Programs
 - Political
- Funding Application Cycles
- Use of Funds - Deadlines



Planning Tools/Strategies

- Strategic Planning / Needs Assessments
- Training/Technical Assistance
- Networking
- Visit successful projects
- Revisit policies and procedures
- Bulk up the waiting list – Community Outreach
- Build confidence in staff
- Enlist a trusted advisor or consultant
- Be specific on how the program(s) would impact **YOUR** project
- Give it a try!



QUESTIONS?



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