Call for Applications

Colorado Rural Rental Housing Preservation Academy

2020

Applications Due:
November 27, 2019
Overview

At Enterprise, we believe that opportunity begins when people have a safe, healthy and affordable place to call home. One of America’s original social enterprises, we bring together the people and resources to create affordable housing in strong neighborhoods. Within Enterprise are programmatic activities and entities that lend funds, finance development and manage and build affordable housing. Over the last 20 years Enterprise has invested more than $800 million in grants, loans and equity, and developed more than 15,000 affordable homes in rural communities nationwide. We work in collaboration with partners to solve critical issues facing low-income communities across the U.S., including preserving affordable housing and ensuring families have access to jobs, health care, and other services. Together with our partners we identify, pilot and scale opportunity-building solutions for low-income people.

CO Rural Rental Housing Preservation Academy

Enterprise Community Partners, Colorado Health Foundation, Colorado Trust, and Fannie Mae are working together to offer a Rural Rental Housing Preservation Academy (Academy) in the state of Colorado. The Academy is a series of no-cost training and peer learning sessions designed to help rural housing providers acquire and/or preserve USDA Rural Development (RD), HUD and LIHTC financed housing in their respective communities. Training sessions will be open to existing owner/operators interested in preserving their properties or parties interested in acquisition for the purpose of preservation of property affordability. For this academy, preservation is defined as continuing current rental assistance contracts, rehabilitating properties, and the transfer of properties from one owner to a new owner which extends project affordability restrictions. The training session will span from basic introduction and overview of RD, HUD and LIHTC programs to exploring financing options and new financing models. Enterprise will bring in experts and practitioners that have proven success in preserving units and are thinking outside the box when it comes to funding to help deliver the training sessions. All training session will be held in the Denver metro area. Attendance to any of the academy sessions is available to any interested stakeholders.

Through this call for applications the CO Rural Rental Housing Preservation Academy is accepting applications from organizations to form a cohort of participants. Up to twelve organizations will be selected to participate in the Academy as members of the first Colorado Preservation Academy Cohort. In addition to the delivery of the trainings, travel stipends and no-cost targeted one on one technical assistance to support preservation efforts of non-profit organizations and housing authorities will be available to cohort members. The assistance will be tailored to the needs of the recipient based on what their goals are and the support they identify in being critical to move their project forward. Examples of potential technical assistance include:
• identify properties, counties and communities to target preservation efforts,
• develop a basic rent/market analysis for projects selected,
• discuss and present various options to successfully make an offer to the seller, secure funding for the purchase and pursue any additional funding and approval needed,
• prepare a list of issues to discuss with current owners to encourage selling,
• develop a letter of interest to be presented to the seller,
• develop an approach to due diligence including a project walk through, a data requests, and an initial exploration of funding needs and options,
• help prepare a purchase offer for the current owner,
• prepare correspondence to the seller and RD, HUD, CHFA, DOH, etc. in support of these efforts,
• valuate positions, policy and correspondence from the seller and RD or relevant agency during the funding and approval process,
• assist as needed in any additional efforts to obtain funding and approvals,
• prepare an application to obtain RD Multi Family Housing Preservation and Revitalization Demonstration Program “MPR” preservation funding, CHFA approval for 9% LIHTC funding as well as additional forms of funding if needed,
• advise on any issues that arise in the process and present recommendations to solve any project specific or timing concerns in an expeditious manner,
• provide feedback regarding interim and final rehab budgets as they relate to receiving RD and/or Housing Finance Agency “HFA” approval. Work with/advice the architectural/design/construction team on its rehabilitation scope of work as needed, and
• work with lender, appraiser, and agency as needed to ensure an appraisal, CNA, and underwriting that is acceptable for RD and CHFA and proposed project.

Colorado Rural Rental Housing Preservation Academy Session Descriptions and Dates

Session 1: Overview and Introduction to Subsidized Rural Rental Housing Programs – April 7-9, 2020
Participants will receive an in-depth overview of USDA RD’s 515, 514/516 programs, HUD 811, 202 and Section 8, and LIHTC programs. An analysis of Colorado’s portfolio of these properties will be presented. Participants will gain an understanding of major stakeholders and key roles for owning and operating a USDA RD program rental development and receive a comprehensive overview of USDA capital needs assessments.

Session 2: Overview of USDA Rural Development Transfer Process – May 27-28, 2020
Participants will receive a comprehensive overview of the acquisition and transfer process of rental properties. Appraisals will be reviewed from HUD and USDA programs. This session will cover the elements of a transfer including pitfalls and roadblocks, with a case study example. Topics such as multifamily rehab and seller exist strategies will also be covered.
Session 3: Buyer/Seller Conference – July 8-9, 2020
The Buyer/Seller conference aims to bring together all the major stakeholders necessary in preserving USDA Rural Rental Housing, HUD, and LIHTC properties. The conference will provide valuable information sessions such as financing sources and seller and buyer considerations. Existing owners interested in exiting the program will have the opportunity to meet with non-profits interested in preserving this unique housing stock.

Session 4: Preservation Financing and Deal Structuring – August 5-6, 2020
This session will cover the array of financing resources available to preserve and rehab USDA RD and other restricted properties. Financial products and programs offered by USDA will be discussed as well as more obvious sources like Low-income Housing Tax Credits (LIHTC), Colorado Division of Housing funds, and Federal Home Loan Bank Affordable Housing Program (FHLB-AHP) as well as some lesser known sources such as PACE.

Session 5: Preservation Financing and Deal Structuring Continued – September 16-17, 2020
Picking up where session 4 left off, this session will continue to explore financing and deal structuring. Participants will become familiar with the key members that make up a successful development team. Topics such as joint development partnerships and proforma modeling will be covered as well as looking at 4%/State Tax Credit LIHTC bond deals and case studies.

Session 6: Supportive Policy – October 21-22, 2020
This session will showcase best practices from other states implemented for rural housing preservation efforts. It will also review pertinent policies at the state and federal level to successful USDA RD and other rural property preservation. Adjustments and changes to policy that can create an enabling environment for preservation of rural rental housing in CO will also be explored as well as advocacy access points for promoting the policy agenda.

Session 7: Property Management – November 17-18, 2020
Participants will learn the ins and outs of property management for USDA RD, LIHTC, and HUD properties including compliance issues, financial reporting, and the day to day management. The provision of resident services and disaster preparedness and mitigation factors for property will also be covered.

Outcomes
The CO Rural Rental Housing Preservation Academy has been crafted to support existing efforts and build capacity of organizations to preserve the affordability of USDA RD 515 and 514/516 HUD financed Section 8, and LIHTC properties including the rental assistance associated with a property. The expected outcomes to participation include:

- Strengthened understanding of USDA RD housing programs and the transfer process
- Improved capacity to identify and obtain funding for capital improvements
- Ability to pursue the preservation and/or acquisition of USDA RD projects and other rural restricted properties

The overall goal of the academy is the preservation of rent restricted rental units in rural CO, especially those with RA, with a target of preserving at least 200 units within a three-year period.

Program Cost
There is no program cost associated with participation in the academy or the technical assistance. Breakfast and lunch will be provided during the academy, and limited stipends are available for participant travel costs. All academy sessions will be held in the Denver metro area. Recipients of travel stipends and TA will be required to attend all academy sessions and must apply through this call for applications to be eligible.

Eligibility and Program Requirements

Applicants must meet all requirements specific to this call for applications.

Organizational Eligibility
- Organization type – Applicants may be either (a) non-profit/Housing Authority with a focus and/or an interest in preserving USDA RD/Section 8/LIHTC properties, or (b) for-profit organization with an existing portfolio of USDA RD/Section 8/LIHTC properties and a focused on preserving and/or acquiring additional properties as affordable housing to low-income families.
- Geographic focus – Applications may only be considered for housing operators who providing housing in the state of Colorado (this does not preclude organizations that serve multiple states).
- Resource Commitment
  Staff time dedicated from the ED or CEO, and/or development staff
  1. Participation in all academy training session, which total approximately 1.5 days per session for seven sessions plus any required travel time.
  2. Working with TA provider.
  3. Internal coordination and communication with Enterprise as needed.

Program Terms
- Program Period of Performance – The training portion of academy will occur over an eight-month between 04/7/20 and 11/17/20. Recipients of travel stipends and TA must commit to attending all sessions.
- Reporting – Participants will be required to provide information that supports Enterprise’s evaluation of the impact of the Academy. The bulk of this participation will take the format of training evaluations, post-training surveys, etc. Every effort will be made to minimize the time and effort required by participants.
• Work Products – Any work products (i.e. reports, applications, etc.) developed through the TA must be shared with Enterprise.

Submission Requirements and Evaluation Criteria

Submission Materials
Responses should include the following materials:

Organizational Narrative (no more than 5 pages) that includes:
• the organization’s current housing portfolio (see chart below) that includes financing structure, target population, number of units,
• existing agency programs,
• property management structure (in house or contract management), and whether your organization manages properties for other owners
• plans for expansion of the portfolio if relevant,
• what the organization hopes to gain from participating in the academy,
• bios of the development staff and agency leadership,
• capacity of the organization to dedicate staff time to the academy and the preservation of USDA RD/HUD/LIHTC properties should also be addressed,
• identification of staff and/or team that will be in attendance at each session. This document should be labeled as ORGANIZATION NAME_Narrative.

TA Request if relevant (no more than 1 page) describing the anticipated TA needs the organization will see under the TA portion of the academy (see above description of potential TA).
## Existing Portfolio Information (table within Narrative)

<table>
<thead>
<tr>
<th>Property Name</th>
<th>Target Population</th>
<th>Financing Sources</th>
<th>Number of Units</th>
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<tbody>
<tr>
<td>☐ RD 515</td>
<td>☐ RD 514/516</td>
<td>☐ HUD Section 8</td>
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### Selection Criteria

Organizations will be evaluated on the following characteristics:

A maximum of 12 organizations will be selected to participate in the academy cohort.
- Organizational capacity to pursue preservation of subsidized rural rental housing (25 points)
- Organizational Narrative (35 points)
- Staff capacity to successfully complete training and dedicate time to working with TA provider (25 points)
- Complete application materials (15)
Submission Instructions
Applications should be submitted electronically in separate PDFs and labeled as instructed above to susananderson@enterprisecommunity.org by 5:00 pm CST on November 27, 2019. We cannot accept late or incomplete proposals.

Learn More
Any questions on the call for applications process can be directed to: Susan Anderson at susananderson@enterprisecommunity.org or Jennie Rodgers at jrodgers@enterprisecommunity.org.

An informational webinar to introduce the Academy, review Academy session content and goals, and answer questions about the application process will be held on October 17th at 11:00 am MST. Register HERE for the webinar.

Notification of Selected Applicants
All applicants will be notified of selection via email by Friday, December 20, 2019.

Please note that the first training session (2.5 days) will be held on April 7-9, 2020 in Denver, CO.