



# front porch

INVESTMENTS

# Development & Preservation Fund

## Fall 2023

Video Overview



### **FRONT PORCH INVESTMENTS**

- Organization Overview
- Development & Preservation Fund Overview
- ARPA City Partnership



### **FALL CYCLE GUIDELINES**

- Long-Term Loan Requests
- Short-Term Loan Requests
- Application & Review Process



### **ADDITIONAL**

- Timeline
- Office Hours
- Contact Information

## **THE VISION**

A community, committed to ensuring all have a home where they can thrive, with bold decisions and effective innovation that reflects housing as a human right.

## **THE MISSION**

We seek to create opportunities to implement successful housing solutions by maximizing public and private resources, convening community partners, new stakeholders, and historically excluded voices, and we include all these perspectives in a shared vision for the future.

A blue-tinted photograph of a hand holding a set of keys. The hand is positioned at the top, and the keys hang down. Below the hand, another hand is visible, palm up, as if presenting or receiving the keys. The background is a blurred cityscape.

Committed  
to ensuring  
all have a  
home.

# OUR FUNDING PARTNERS



## Public

(City, County, State, & Federal)  
Through Public &  
Private Partnerships



## Private

Philanthropy  
Partnerships with  
Foundations, Families



## Corporate


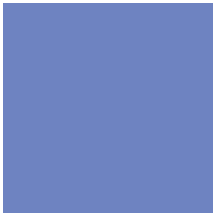
Philanthropy Partnering  
with the Business  
Community



# Development & Preservation Fund Program Goals

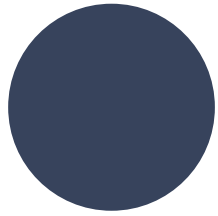


The broad goals as identified in the assessment are to:

-  Provide gap financing for the development of new affordable housing, including mixed-income rental housing, the creation of affordable housing in areas near job centers and transit, and transformative “catalyst” projects in neighborhoods undergoing broader revitalization efforts.
-  Provide needed gap financing to preserve and improve the quality of at-risk dedicated affordable rental housing, as well as “naturally occurring” affordable housing properties in deteriorating condition or at risk of conversion to market rate.

# REQUEST TYPES

Application deadline: September 1<sup>st</sup> at 11:59 p.m. CDT



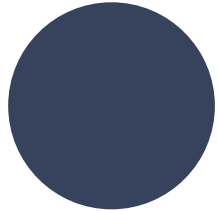
## PROJECT LOAN | LONG-TERM

**Focus:** Affordable housing development and preservation projects

**Eligible Applicants:** For-profit developers, nonprofit developers

**Funding Source:** ARPA

**Estimated Funding Pool:** \$3 million



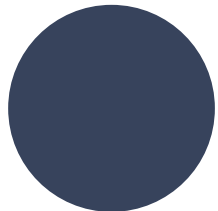
## PROJECT LOAN | SHORT-TERM

**Focus:** Affordable housing development and preservation projects

**Eligible Applicants:** For-profit developers, nonprofit developers

**Funding Source:** Private

**Estimated Funding Pool:** \$3 million



## OPERATING GRANT

**Focus:** One-time operational support

**Eligible Applicants:** Omaha-based/serving housing-supportive nonprofits

**Funding Source:** ARPA

**Estimated Funding Pool:** \$3 million

# Development & Preservation Fund

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### **CITY PARTNERSHIP**

In partnership with the City of Omaha, Front Porch Investments is distributing \$20M in American Rescue Plan Act (ARPA) funding and \$20M in private funding through a philanthropic match.

Funds are being allocated across multiple funding cycles to increase affordable and mixed-income housing through the following activities:

### **INITIAL ROUNDS**

- Development of rental and for-sale affordable housing options in Omaha
- Preservation of existing housing units and/or adaptive reuse of current structures for affordable housing
- Acquisition, site remediation/preparation, and pre-development of properties for affordable housing projects

### **CURRENT ROUND**

- All of the above, plus one-time operating support for housing-supportive nonprofits located in and serving Omaha

# Development & Preservation Fund

Fall 2023

## LONG-TERM PROJECT LOANS

ARPA-funded | for-profit & nonprofit developers





# Development & Preservation Fund

## Fall 2023

## LONG-TERM PROJECT LOANS

ARPA-funded | for-profit & nonprofit developers

### OVERVIEW

- Estimated funding pool: \$3 million via ARPA  
**Please note:** Funding cycles are competitive.
- Term: Up to 25 years, minimum 20 years
- 2% fixed interest rates for all borrowers (for-profit and nonprofit)
- Origination fees: 1-2%
- Applicants must provide all necessary financial documentation at the time of submission to go through underwriting
- Quarterly reporting
- Additional proof of expenses and/or procurement requirements may apply
- All loans must be ready to close by the end of June 2024



# Development & Preservation Fund

## Fall 2023

## LONG-TERM PROJECT LOANS

ARPA-funded | for-profit & nonprofit developers

### ARPA LOAN PARAMETERS

ARPA funding will be distributed via low-interest long-term loans for affordable and/or mixed-income housing development or rehabilitation.

### LOCATION

- Must fall within the boundaries of the City of Omaha
- Priority given to those located within a qualified census tract (QCT)
- If not in a QCT, additional justification is required (i.e., proximity to transit or employment centers)

### ADDITIONAL REQUIREMENTS

- Units at 120% area median income (AMI) or below
- 20 to 25-year minimum affordability period (based on loan-length)
- An active Unique Entity ID (UEI) from SAM.gov
- Adherence to SLFRF compliance and reporting guidelines



# Development & Preservation Fund

## Fall 2023

## LONG-TERM PROJECT LOANS

ARPA-funded | for-profit & nonprofit developers

### PROJECT ELIGIBILITY

SLFRF funds used for affordable housing projects under the PH-NEI eligible use category are presumptively eligible if the project:

- 1) Meets certain core requirements of the following federal housing programs:
  - National Housing Trust Fund (HTF)
  - HOME Investment Partnerships Program (HOME)
  - Low-Income Housing Credit (LIHTC)
  - Public Housing Capital Fund
  - Section 202 Supportive Housing for the Elderly Program
  - Section 811 Supportive Housing for Persons with Disabilities Program
  - Project-Based Rental Assistance
  - Multifamily Preservation & Revitalization Program
  - Affordable housing projects provided by a Tribal government if they would be eligible for funding under the Indian Housing Block Grant program, the Indian Community Development Block Grant program, or the Bureau of Indian Affairs Housing Improvement Program
- 2) Includes units for households at or under 65% AMI for 20 years or longer
- 3) Includes units for households between 65% and 120% AMI and serves the need of disproportionately impacted populations and/or meets the affordable housing need in the community by responding to market demand



# Development & Preservation Fund

## Fall 2023

## LONG-TERM PROJECT LOANS

ARPA-funded | for-profit & nonprofit developers

### ARPA REPORTING AND COMPLIANCE

Quarterly and annual reports will be required from ARPA awardees. Outcome measures will vary depending on project type.

### SAMPLE OUTCOME MEASURES

- # of units preserved, rehabbed, or developed (per AMI)
- # of individuals/families relocated as a result of rehab/renovation
- # of vacant sites acquired for affordable housing development
- # of properties acquired for adaptive reuse or rehab
- # of residents served
- # of new projects moving forward
- # of affordable housing units preserved or developed for purchase
- # of households that purchased a home
- Status of completion



# Development & Preservation Fund

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## SHORT-TERM PROJECT LOANS

privately funded | for-profit & nonprofit developers



# Development & Preservation Fund

## Fall 2023

## SHORT-TERM PROJECT LOANS

privately funded | for-profit & nonprofit developers

### OVERVIEW

- Estimated Funding Pool: **\$3 million** via private dollars  
**Please note:** Funding cycles are competitive.
- Term: Up to 36 months
- Eligible Loan Types: Pre-development, acquisition, construction, bridge
- 1-2% fixed interest rates
- Origination fees: 1-2%
- Applicants must provide all necessary financial documentation at the time of submission to go through underwriting
- All loans must be ready to close by the end of June 2024
- Affordability requirements will apply
- Given the ARPA partnership, we will still assess alignment with ARPA priorities and guidelines; more flexibility is available with private funding



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### APPLICATION

- Online via Submittable
- Primary Contact Email for Login
- Uploads

### REVIEW

- Internal Review
- Committee Review
- FPI Board Approval

### REPORTING

- Frequency and requirements dependent upon award type and funding source
- Submitted via Submittable

# Development & Preservation Fund

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### FINANCIALS

You will need to submit financial documentation and funding information for both your organization and the project, including:

#### ORGANIZATION OPERATING BUDGET

- Current fiscal year
- Most recent fiscal year

#### ORGANIZATION FINANCIALS

- Three years of audited financial statements
- Year-to-date financial statement

If not required to conduct audits, submit three years of completed business tax returns or 990s and a year-to-date financial statement. If the tax return is extended, please include a prepared financial statement for the most recent fiscal year. Personal and corporate guarantees are required with all approved loans for for-profit borrowers.

#### OTHER DOCUMENTS & INFO – as applicable

- Project Budget / Sources and Uses
- Project Pro Forma – rental projects only
- Business Debt Schedule
- Request rationale, fund use, scalability, and more





# Development & Preservation Fund Fall 2023

## TIMELINE

### APPLICATION PERIOD

August 1<sup>st</sup> – September 1<sup>st</sup> at 11:59 p.m. CDT

### NOTIFICATIONS & PUBLIC ANNOUNCEMENTS

At the end of November 2023

### AWARD DISBURSEMENT

Grants – December 2023

Loans – dependent upon loan closure

## OFFICE HOURS | GENERAL & UNDERWRITING PREP

Schedule online at [www.calendly.com/frontporchinvestments](http://www.calendly.com/frontporchinvestments)

## QUESTIONS?

### CYCLE INFORMATION & APPLICANT RESOURCES

[www.frontporchinvestments.org/current-funding](http://www.frontporchinvestments.org/current-funding)

### APPLICATION PLATFORM SUPPORT

Tess Houser | [tess@omahafoundation.org](mailto:tess@omahafoundation.org)





thank you,  
front porch  
INVESTMENTS