



front
porch

I N V E S T M E N T S

Development & Preservation Fund

Fall 2022 Launch Cycle

WORKSHOP AGENDA



Front Porch Investments Overview



Development and Preservation Fund



Fall 2022 Cycle – ARPA Partnership

- Loans
- Grants
- Application and review process



Q & A

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 keys are silver and have a white tag attached. The background is a blurred cityscape. The image is used as a background for the right side of the slide.

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

The broad goals of the Development and Preservation Fund 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

PROJECT LOAN

**Funding for
development and
preservation projects**

Eligible applicants:

For profit developers

Nonprofit developers

Funding source: ARPA

PROJECT GRANT

**Funding for
development and
preservation projects**

Eligible applicants:

Nonprofit developers

Funding source: Private

PROGRAM GRANT

**Funding to expand the
parameters or capacity
of a current program
or support the launch
of a new pilot or
program**

Eligible applicants:

Nonprofit organizations

Funding source: Private

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Partnership



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

Funds will be allocated first as short-term loans and in additional rounds as grants to increase affordable and mixed income housing through the following activities:

FIRST ROUND

- 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

FUTURE ROUNDS

- Homebuyer supports including down payment assistance for individuals and families with lower incomes

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ARPA Funded Project Loans



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ARPA Loan Parameters

Up to \$10M of ARPA funding will be distributed in low-interest loans for affordable and/or mixed income housing development or rehabilitation.

- ARPA funded projects must fall within the boundaries of the City of Omaha. Projects outside of qualified census tracts must provide proof of additional amenities and or services such as access to transit or employment opportunities.
- ARPA funding will support the creation or rehabilitation of units for individuals and/or households at 120% Area Median Income or below.
- All ARPA funded projects must include a 20-year minimum affordability period.
- All applications must have or show proof of application for a Unique Entity ID (UEI) from [SAM.gov](https://sam.gov).

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Project **Loans** (18-24 months)

- Eligible Loan Types include:
 - Predevelopment
 - Acquisition
 - Construction
 - Bridge
- For-profit and nonprofit developers are eligible
- 1% origination fees and 1% fixed interest rate for all borrowers and loan types
- Loan applications will be subject to underwriting by Impact Development Fund
- **These loans must be ready to close by the end of January of 2023.** If awarded, other financing sources must be in order by December 2022 to prepare for closing.
- Beneficiary vs. subrecipient classification may apply

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Eligibility Criteria



Project Eligibility

1) SLFRF funds used for affordable housing projects under the PH-NEI eligible use category are presumptively eligible if the project meets certain core requirements of the following expanded list of 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) Units for households at or under 65% AMI for 20-years or longer

3) Units for households between 65% and 120% AMI if the project serves the need of disproportionately impacted populations, meets the affordable housing need in the community by responding to market demand

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ARPA Reporting and Monitoring



Outcome Measures

Quarterly and annual reports

Sample outcome measures – *measures will be specific to project type*

- Number of units built
- Number of units rehabilitated
- Number of new sites acquired for development
- Number of new projects moving forward
- Number of new developers working in affordable housing
- Number of households receiving eviction prevention services
- Number of individuals/families placed in more stable housing
- Number of new programs to increase access to affordable housing
- Completion status (not started, <50% complete, >50% complete)
- Cumulative obligation and expenditures (\$)
- Current report period obligations and expenditures (\$)
- Primary populations served (drop-down menu)
- Demographic data

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Privately Funded
Project Grants and
Program Grants



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Project Grants

- **Nonprofit** development projects
- Development of rental and for-sale affordable housing options in City of Omaha
- Preservation of existing housing units or rehab of structures (e.g. motels, commercial spaces) to be converted for the purpose of affordable housing
- Nonprofit applicants may apply for both a loan and grant for the same project in one application (for example, a construction loan request with an additional grant request to address a valuation gap)
- Affordability requirements will apply



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Program Grants

- **Nonprofit** organizations only
- Funding to expand the parameters or capacity of a current program or support the launch of a new pilot or program
- Eligible activities include but are not limited to:
 - ☐ Financial education and counseling
 - ☐ Housing education and counseling
 - ☐ Other education or training
 - ☐ Workforce development and training
 - ☐ Language access
 - ☐ Physical accessibility
 - ☐ Pilot programming/innovation
 - ☐ Renovation/rehabilitation program
 - ☐ Planning/early project design phases
 - ☐ Expanding capacity related to affordable housing
 - ☐ Development of community resources
- Must articulate how Front Porch funding will help your organization grow its work and confirm that Front Porch is the sole funder of the component in your request
- Up to \$3 million available **for all grants** in this cycle

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Application Process

Submittable 



- Demo – walkthrough of submission portal, highlighting key reminders, features, and resources within the application
- Review process

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Project Financial Documentation

Organizational Operating Budgets

- Current fiscal year
- Most recent fiscal year

Organization Financials

- Three years of audited financial statements
- YTD financial statement

If not required to conduct audits, submit three years of completed business tax returns or 990s and a YTD financial statement. If the tax return is extended, please provide prepared financial statement for the most recent fiscal year.

Project Budget / Sources and Uses

Project Pro Forma (rental projects only) – [template available](#)

Business Debt Schedule – [template available](#)



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Timeline

- Cycle opens on **Monday, August 15th** at 9:00am CDT
Application previews are available now on the Development and Preservation landing page
- Cycle closes on **Tuesday, September 13th** at 12pm CDT
- Loan applications will be underwritten in two batches
Applicants are encouraged to apply early in the cycle
- Awardees will be notified in **November**



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Additional Resources

Office hours – visit

FrontPorchInvestments.org/ARPA to register:

- **General inquiries** – Front Porch Investments team
- August 22nd and August 26th
- **Support with financial documents** – American National Bank and Carver Legacy Center
August 26th

Tess Houser, Awards Administrator

tess@omahafoundation.org

(402) 933-4164



thank you,
front porch
INVESTMENTS