Purpose of the Training

Our goal for this workshop is to identify all the benefits that the Developer’s Guide can offer your organization or tribe towards building knowledge and capacity around multi-family affordable housing.
Today's Agenda
Native Housing Developers Guide

1. Introduction | 5 minutes
2. Navigating the Guide | 5 minutes
3. Tools and Resources to Build on | 10 minutes
4. Phases of Affordable Development | 40 minutes

We will take questions throughout the presentation!
Mission and Vision

**OUR VISION**
A country where home and community are steppingstones to more.

**OUR MISSION**
To make home and community places of pride, power and belonging, and platforms for resilience and upward mobility for all.

- **Increase Housing Supply**
  Preserve and produce good homes that people can afford

- **Advance Racial Equity**
  After decades of systematic racism in housing

- **Build Resilience & Upward Mobility**
  Support residents and strengthen communities to be resilient to the unpredictable
Unmatched breadth, scale and expertise across the entire spectrum of affordable housing...

**Solutions**
Programs, Policy & Capacity Building
We support community development organizations with funding, programs and technical assistance, and advance housing policy at every level of government.

**Community Development**
Development, Property Mgmt & Resident Services
We are the #1 provider of affordable homes in the Mid-Atlantic, and 6th largest nonprofit developer in U.S., building, preserving, managing thousands of homes and serving over 20,000 residents.

**Capital**
Tax Credits, Debt, Equity & Asset Mgmt
We aggregate and invest capital in homes and communities, using discipline and creativity to achieve impact and returns.

...creating a positive feedback loop that does it all under one Enterprise roof.
Who are we and what do we do?

- **HUD Section 4 Capacity grants** – 32 Rural and Native grants this year
- **Training & Capacity Building for Native Partners**- TA provision for USDA 515 and California HomeKey
- **Native American Advisory Council**- Launch Advisory Council formed by Native-led national organizations to support the formation of organization to organization relationships and to provide input and guidance to our capital, policy, and programmatic work.
- Work outside lower 48 with Rural Placemaking Innovation Challenge in Anahola, HI and developing an Alaska specific curriculum and Alaska Housing Innovation Summit (August 2022)
- **Native Homeownership Programs** - Expanding our successful statewide homeownership coalition work (now in SD and NM) to replicate in AZ, MT and other states and the Native Homeownership Learning Communities Cohort
ENTERPRISE COMMUNITY PARTNERS

Supporting the Development of Housing in Native Communities

ASSOCIATION OF ALASKA HOUSING AUTHORITIES

Building communities, empowering Alaskans.

Dedicated Member of the South Dakota Native Homeownership Coalition

Enhancing and Implementing Homeownership Programs in Native Communities

A Coalition for Homeownership Practitioners

Enterprise
Up to 10 Recoverable Grants of $100,000-$200,000 to Native Tribes or BIPOC-led organizations

- **Eligibility** – Must be a Tribe, Tribal Entity, or an organization that is led by BIPOC individuals or individuals from other historically marginalized groups.

- **What is a recoverable grant?** Think of it as a loan without any interest for the development of affordable multifamily or single-family housing. Must be paid back within the period of performance (5 years).
  - Set-aside for tribes and rural projects within Enterprise’s larger Equitable Path Forward program

- **How do I apply?** Open now on a rolling basis. Application requires project description and uses, including a pro-forma.
  - Technical assistance available to assist with application!

- **Contact** – Sarah Torsell, Program Director storsell@enterprisecommunity.org
INTRODUCTION
Phases of Development

Phase 1: Visioning

Phase 2: Planning & Pre-development

Phase 3: Securing Funding

Phase 4: Design

Phase 5: Construction

Phase 6: Operations
• Land acknowledgement

• Reviewers and Contributors
  ➢ Betsy McGovern-Garcia, Program Director at Self-Help Enterprises
  ➢ Zoe LeBeau, Supportive Housing Consultant, CEO, BeauxSimone Consulting
  ➢ Katie Symons, CFO, BeauxSimone Consulting
  ➢ Barbara Roloff, Seven Sisters Community Development Group, LLC
  ➢ Leslie Newman, Seven Sisters Community Development Group, LLC
  ➢ Robin Thorne, Vice President, RT Hawk Housing Alliance
  ➢ Susan Vogel and Michelle Running Wolf, CRHA

• 3. Funders: Fannie Mae, American Express, and Goldman Sachs
Using this Guide
Native Housing Developers Guide

• Training for new staff members
• Reference for a first multifamily project
• Reference while working with consultants
• Non-native groups familiarizing themselves with Native challenges and issues
• Links to further resources
• Tools during each phase of the process!

Remember that housing development is NOT a linear process!
Navigating the NHDG Site

Go to [https://nativedeveloperguide.enterprisecommunity.org/](https://nativedeveloperguide.enterprisecommunity.org/)

INTRODUCTION

Can also find it on Enterprise’s site

> Tribal Nations and Rural Communities

> Related Resources

**Quick Start Guide**

Native American tribes, non-profits, and other Native American housing entities increasingly seek opportunities to develop stronger homes and community spaces for their people. At the same time, tribes and other developers looking to build affordable Native housing, and specifically multifamily housing, remain challenged by the onerous and exhaustive process of development. This guide provides expertise, tools, and resources intended to support the development of multifamily rental housing in Native communities. It is our hope that these resources will lead to a stronger rental housing stock in Indian Country, and on other designated Native lands, and in off-reservation Native communities.
ONLINE TOOLS
Resources to Build On
Go to https://nativedeveloperguide.enterprisecommunity.org/resources-build

Phase I: Visioning

Further Learning:
- Indigenous Planning + Design Institute
- Sustainable Native Communities Collaborative
- Citizens’ Institute on Rural Design
- Mass Design Group Sustainable Native Communities Design Lab
- Enterprise Green Communities Integrative Design Toolkit
- GAO Study Native American Housing and Additional Actions Needed
- Freddie Mac LIHTC in Indian Areas
- GAO Data Use and Regulatory Status of the Indian Housing Block Grant
- National Multifamily Housing Council Toolkit

Phase II: Planning And Predevelopment

Further Learning:
- CHDO Survivor Kit
- Ten Principles for Developing Affordable Housing
- Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA)
- HUD Income Limit Tool
- Model Content Standards for Rental Housing Market Studies
- Grounded Solutions calculator
- Urban Institute calculator
- Market Study Common Terms to Know

Selected Footnotes:
## Glossary

Go to [https://nativedeveloperguide.enterprisecommunity.org/glossary](https://nativedeveloperguide.enterprisecommunity.org/glossary)

<table>
<thead>
<tr>
<th>Term (include acronyms/alternative definitions in parenthesis)</th>
<th>Definition</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Absorption Rate</td>
<td>The rate at which available homes are sold in a specific market during a given time period. It is calculated by dividing the number of homes sold in the allotted time period by the total number of available homes</td>
<td></td>
</tr>
<tr>
<td>2 Accessory Dwelling Units (ADUs)</td>
<td>A habitable living unit added to, created within, or detached from a primary one-unit Single Family dwelling, which together constitute a single interest in real estate. It is a separate additional living unit, including kitchen, sleeping, and bathroom facilities.</td>
<td><a href="https://www.huduser.gov/portal/publications/adu.pdf">https://www.huduser.gov/portal/publications/adu.pdf</a></td>
</tr>
<tr>
<td>3 Adaptive Reuse</td>
<td>Repurposing buildings for new uses and modern functions other than those originally intended in order to address present-day needs.</td>
<td></td>
</tr>
<tr>
<td>4 Allotments</td>
<td>The parceling out of land to individual members of tribes, as described in the Allotment Act.</td>
<td><a href="https://iitf.org/land-issues/history/">https://iitf.org/land-issues/history/</a></td>
</tr>
<tr>
<td>5 Anchor Institutions</td>
<td>Anchor institutions are schools, institutions of higher education (IHEs), hospitals, faith-based organizations, and community-based organizations that have deep roots in the community and are longstanding contributors to the community's stability and strength. Often these institutions are the largest employers, purchasers, and landowners in the community and as a result are the largest contributors to the community's economy and well-being.</td>
<td></td>
</tr>
<tr>
<td>6 Appraisal</td>
<td>A process through which the value of a property is determined by a licensed appraiser.</td>
<td></td>
</tr>
</tbody>
</table>
## Capacity Assessment Checklist

Go to https://nativedeveloperguide.enterprisecommunity.org/capacity-assessment-checklist

Native Housing Development Guide  
Project checklist  
November 2021

### PROJECT CHECKLIST

Use this checklist to organize key elements of your development project. You can check off different elements as you complete and reflect on the “Questions to Consider” to help shape your project. Jot down notes for each part and share with others on your project team.

<table>
<thead>
<tr>
<th>PHASE 1: VISIONING</th>
<th>PROJECT ELEMENT</th>
<th>QUESTIONS TO CONSIDER</th>
</tr>
</thead>
</table>
|                    | HOUSING NEEDS ASSESSMENT | - Do we understand the unmet needs affecting tribal members where our project would be located? What does our housing needs assessment say about them?  
- Have we identified a need to conduct additional quantitative or qualitative analysis to understand unmet needs among tribal members where our project would be located?  
- Have we identified the residents who will live in our development once complete (for instance, TDHE residents, veterans, young families, tribal employees)?  
- Have we calculated how much the residents who will live in our development once complete can afford in terms of a monthly housing payment? |
|                    | OUTREACH | - How can we use our engagement to collect housing needs to help inform other aspects of our project (for instance, design concepts or features)?  
- How can we ensure our engagement enables people to meaningfully participate (for instance, materials provided; overall accessibility; formats for sharing information)?  
- How do we plan to the input we gathered as part of our engagement process? |
|                    |          | - Can we articulate the goals for our project and how those goals relate to unmet housing needs among tribal members? |


## Development Financial Model

Go to [https://nativedeveloperguide.enterprisecommunity.org/development-financial-model](https://nativedeveloperguide.enterprisecommunity.org/development-financial-model)

### Development Costs

<table>
<thead>
<tr>
<th>Line Item</th>
<th>Total Cost</th>
<th>Cost/Unit</th>
<th>Cost/Sq Ft</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ACQUISITION COSTS</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Land</td>
<td>70,000</td>
<td>3,500</td>
<td>2.45</td>
</tr>
<tr>
<td>Existing Structures</td>
<td>0</td>
<td>0</td>
<td>0.00</td>
</tr>
<tr>
<td><strong>SUBTOTAL</strong></td>
<td><strong>70,000</strong></td>
<td><strong>3,500</strong></td>
<td><strong>2.45</strong></td>
</tr>
<tr>
<td><strong>SITE IMPROVEMENTS</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Off Site Infrastructure</td>
<td>0</td>
<td>0</td>
<td>0.00</td>
</tr>
<tr>
<td>On Site Infrastructure</td>
<td>0</td>
<td>0</td>
<td>0.00</td>
</tr>
<tr>
<td>Demolition</td>
<td>0</td>
<td>0</td>
<td>0.00</td>
</tr>
<tr>
<td><strong>SUBTOTAL</strong></td>
<td>0</td>
<td>0</td>
<td>0.00</td>
</tr>
<tr>
<td><strong>CONSTRUCTION</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Building Permit Fees</td>
<td>50,000</td>
<td>2,500</td>
<td>1.75</td>
</tr>
<tr>
<td>Tap Fees</td>
<td>100,000</td>
<td>5,000</td>
<td>3.51</td>
</tr>
<tr>
<td>Construction / Rehabilitation</td>
<td>3,800,000</td>
<td>150,000</td>
<td>105.20</td>
</tr>
<tr>
<td>Landscaping</td>
<td>0</td>
<td>0</td>
<td>0.00</td>
</tr>
<tr>
<td>Contingency</td>
<td>250,000</td>
<td>12,500</td>
<td>8.77</td>
</tr>
<tr>
<td><strong>SUBTOTAL</strong></td>
<td><strong>3,400,000</strong></td>
<td><strong>170,000</strong></td>
<td><strong>116.23</strong></td>
</tr>
<tr>
<td><strong>PROFESSIONAL FEES</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Architect Fees</td>
<td>181,212</td>
<td>9,061</td>
<td>6.35</td>
</tr>
<tr>
<td>Engineering Fees</td>
<td>60,400</td>
<td>3,020</td>
<td>2.12</td>
</tr>
<tr>
<td>Real Estate Attorney Fees</td>
<td>0</td>
<td>0</td>
<td>0.00</td>
</tr>
<tr>
<td>Soils Tests</td>
<td>4,000</td>
<td>200</td>
<td>0.14</td>
</tr>
<tr>
<td>Surveys</td>
<td>0</td>
<td>0</td>
<td>0.00</td>
</tr>
<tr>
<td>Green Planning and Design Fees</td>
<td>5,750</td>
<td>288</td>
<td>0.20</td>
</tr>
<tr>
<td><strong>SUBTOTAL</strong></td>
<td><strong>251,362</strong></td>
<td><strong>12,568</strong></td>
<td><strong>8.81</strong></td>
</tr>
</tbody>
</table>

### 15-Year Operating Proforma

<table>
<thead>
<tr>
<th></th>
<th>YEAR 1</th>
<th>YEAR 2</th>
<th>YEAR 3</th>
<th>YEAR 4</th>
<th>YEAR 5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rent Income - increasing by</td>
<td>2.00%</td>
<td>$236,544</td>
<td>$241,275</td>
<td>$246,100</td>
<td>$251,022</td>
</tr>
<tr>
<td>Less Vacancy</td>
<td>7%</td>
<td>($16,556)</td>
<td>($16,869)</td>
<td>($17,227)</td>
<td>($17,572)</td>
</tr>
<tr>
<td><strong>SUBTOTAL</strong></td>
<td><strong>$220,988</strong></td>
<td><strong>$224,406</strong></td>
<td><strong>$228,833</strong></td>
<td><strong>$233,449</strong></td>
<td><strong>$238,120</strong></td>
</tr>
<tr>
<td>Eff Gross Income</td>
<td>2.00%</td>
<td>($210,986)</td>
<td>($214,386)</td>
<td>($218,873)</td>
<td>($223,451)</td>
</tr>
<tr>
<td><strong>NET OPERATING INCOME</strong></td>
<td><strong>$10,000</strong></td>
<td><strong>$10,000</strong></td>
<td><strong>$10,000</strong></td>
<td><strong>$10,000</strong></td>
<td><strong>$10,000</strong></td>
</tr>
<tr>
<td>Bridge Loan Debt Service</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash Flow Available</td>
<td>$21,259</td>
<td>$23,873</td>
<td>$26,553</td>
<td>$26,206</td>
<td>$31,925</td>
</tr>
<tr>
<td>Debt Coverage Ratio</td>
<td>1.15</td>
<td>1.17</td>
<td>1.19</td>
<td>1.21</td>
<td>1.23</td>
</tr>
<tr>
<td>Projected Payments from Cashflow</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Deferred Developer Fees</td>
<td>$20,000</td>
<td>$20,000</td>
<td>$11,000</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>Soft Debt #1</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>Soft Debt #2</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>Partnership Management Fees</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>Asset Management Fees</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
</tr>
</tbody>
</table>

* Cash Flow over years 1-10: $334,411
* Cash Flow over 15 years: $609,264
TOOLS

QAP Set-Aside Inventory

Go to https://nativedeveloperguide.enterprisecommunity.org/qap-set-asidepreferences-inventory

California

NATIVE-OR RURAL-SPECIFIC SET-ASIDE OR PREFERENCE
Native American apportionment of the Rural Set-Aside

SET-ASIDE OR PREFERENCE SUMMARY
Dollar Amount

OTHER INCENTIVES
One million dollars is available for projects on land to be owned by a Tribe and in which occupancy will be legally limited to tribal households; up to 20% of low-income units may serve non-tribal households if required by the HOME Program.

OTHER INCENTIVES
--

SOURCE #1

Idaho

NATIVE-OR RURAL-SPECIFIC SET-ASIDE OR PREFERENCE
Rural Development Set-Aside

SET-ASIDE OR PREFERENCE SUMMARY
Percent of total housing credits

OTHER INCENTIVES
The QAP sets aside 15% of total housing tax credits for the new construction of developments located in communities are eligible for United States Department of Agriculture (USDA) Rural Development Multifamily Housing programs.

OTHER INCENTIVES
--

SOURCE #1

SOURCE #2
Sample/Example Documents

Go to https://nativedeveloperguide.enterprisecommunity.org/sampleexample-documents

- Housing Needs Assessments
  - CRHA Housing Needs Survey
  - Housing Study Template
  - REDCO Housing Needs Study
  - SISC Needs Assessment
  - Thunder Valley HOME Report Summary

- Green Building Maintenance and sample policy/procedures doc from city of Seattle: http://www.seattle.gov/housing/housing-developers/green-practices#forbuildingmanagers

- Residential Rental Property Maintenance Checklist from the City of Brainerd, MN: https://www.ci.brainerd.mn.us/DocumentCenter/View/596/Rental-Property-Maintenance-Checklist-PDF
PHASE 1:
VISIONING
### PHASE 1: VISIONING

## Housing Needs in Native Communities

### Exhibit 1: Rental Unit Mix on Native American Reservations

<table>
<thead>
<tr>
<th></th>
<th>National</th>
<th>Reservation</th>
<th>Tribal Member Percentage on Reservation Land</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>50% +</td>
</tr>
<tr>
<td>Rental Units (% of all households)</td>
<td>36.4%</td>
<td>32.7%</td>
<td>34.6%</td>
</tr>
<tr>
<td>Multifamily Rental Units (% of all households)</td>
<td>15.5%</td>
<td>7.5%</td>
<td>3.3%</td>
</tr>
<tr>
<td>Multifamily Rental Units (% of all rental)</td>
<td>42.6%</td>
<td>22.9%</td>
<td>9.6%</td>
</tr>
</tbody>
</table>

Source: Freddie Mac tabulations of the 2016 5-Year American Community Survey
PHASE 1: VISIONING

Community Education and Engagement

What are the steps to meaningful community engagement?

1. Define the Scope of the planning process
2. Developing an understanding of the community landscape
3. Identifying core questions and trade-offs
4. Assessing community capacity
5. Design engagement strategies and identify resource needs
6. Decide how input will be used
Housing Needs Assessment

PHASE 1: VISIONING

What Is The Difference Between A Market Study & Housing Needs Assessment?

Housing Needs Assessments do not serve the same function as market studies, though the two are often confused. A market study is an in-depth analysis of the market feasibility and demand for a specific type of development (and potentially in a specific location within the community). A market study is used to build an understanding of how your project site will fit into the community and what needs will be met.

A housing needs assessment is a more global and comprehensive assessment of the housing needs and conditions in the community but is not focused on assessing the feasibility of a specific development or type of housing. A Housing Needs Assessment could cover a whole state, county, or reservation for example.
Bringing Indigenous Design into Multi-Family Housing

PHASE 1: VISIONING

What Is Trauma-Informed Design?

Trauma-informed design is a new understanding that is based on trauma-informed care which is already a best-practice in services. This new concept underscores that housing should not just put a roof over people's heads, but should create dignity, healing, and joy. This impacts the design process and prioritizes the voices of future staff and potential residents to hear what they need in housing to feel safe, and for their voice to help lead the design – ensuring the housing meets the needs and honors the identities of the residents. An overview of TID principles and a TID design process can be found at www.shopworksarc.com/tid.
Assessing Capacity
General skills and capacities for your team

**PHASE 1: VISIONING**

**PROGRAM STAFF**
- Project management
- Contractor management
- Grant management
- Compliance

**OPERATIONAL SUPPORT**
- Human resources
- Information Technology (IT)
- Accounting and finance

**BOARD SUPPORT**
- Real estate expertise
- Accounting and finance
- Community experience
- Capacity assessment and alignment
PHASE 2:
PLANNING &
PREDEVELOPMENT
PHASE 2: PLANNING AND PREDEVELOPMENT

Evaluating Housing Development Models
Key decisions to help guide model development

**TENURE**
- For-Sale
- Rental
- Lease-to-own
- Co-housing

**EXISTING SITE USE**
- New construction
- Redevelopment
- Rehabilitation
- Adaptive reuse
- Accessory dwelling units

**STRUCTURE TYPE**
- Single-family
- Multi-family

**BUILDING USE**
- Single-use
- Residential only
- Mixed-use buildings
Assembling Your Project Team

Roles that comprise your team

Key Project Team

- Developer
- Developer Partner
- Leaseholder/property owner
- Property manager
- General contractor
- Service Provider

Consultants or Contractors

- Architect
- Engineers
- Market or real-estate analyst
- Lawyer
- Environmental analyst
- Housing finance adviser
Assessing Project Feasibility

- Site Selection
  - Physical and Environmental Factors
  - Regulatory Factors
  - Locational Factors
- Calculating Affordability
- Other Market Considerations
  - Permanent Supportive Housing
  - People experiencing homelessness
  - Living with Disabilities
  - Elders
  - People coming out of corrections
Market Study

**Upfront Considerations**
Alignment with funder requirements and your housing development model

**Native Context Issues**
Limited data availability, experience working in native and rural areas, willingness to work on tribal lands

**Elements of a Market Study**
Project description, location, market area, employment and economy, demographics, competitive environment, demand analysis, local perspectives on rental housing, and permanent supportive housing
PHASE 2: PLANNING AND PREDEVELOPMENT

Financial Feasibility

1. Working with a Pro-Forma
2. Development Budget
3. Sources and Uses
4. Pro-forma Schedule of Expenses

The Native Housing Developers Guide also includes a “Development Financial Model” tool that includes a pro-forma and other resources.
## PHASE 2: PLANNING AND PREDEVELOPMENT

### Creating a Development Plan
Downloadable resource for organizing steps, timeline, and roles

<table>
<thead>
<tr>
<th>Phase I: Visioning</th>
<th>Key steps</th>
<th>Illustrative timeline</th>
<th>Key roles</th>
</tr>
</thead>
<tbody>
<tr>
<td>Community Engagement</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Housing Needs Assessment</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Design Concept</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Assessing Capacity</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Phase I milestones:**

### Phase II: Predevelopment

<table>
<thead>
<tr>
<th>Evaluating Housing Development Models</th>
<th>Key steps</th>
<th>Illustrative timeline</th>
<th>Key roles</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assembling Project Team</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Assessing Project Feasibility</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Market Study</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financial Feasibility</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Phase II milestones:**
PHASE 3: SECURING FUNDING
This section includes

- Table of Available Public Funding Sources
- NAHASDA on Native Lands & the competitive formula
- LIHTC on Native Lands
  - Success in California
Federal tax credits are allocated to state housing finance agencies by a formula based on population.

Each state agency establishes its affordable housing priorities and developers compete for an award of tax credits based on how well their projects satisfy the state’s housing needs.

Developers receiving an award use the tax credits to raise equity capital from investors in their developments.

The tax credits are claimed over a 10-year period but the property must be maintained as affordable housing for a minimum of 30 years.

Credits can be recaptured for noncompliance so maintaining close supervision over the properties throughout their lifecycle is important.
PHASE 3: SECURING FUNDING

Working with Private Sector Funding Sources

- Working with Lenders
- Working with Investors
  - Proactively Build you relationships
  - Get support from other community leaders.
  - Educate lenders on how the development process looks in your community
  - Provide a reasonable assessment of financial feasibility.
  - Secure a loan guarantee
  - Identify alternative income streams to secure loans.
- Native CDFIs
Layering Financing

- Adapting programs to serve Native development goals
  - Indigenous Design Trade-offs
  - Using Tribal Revenue
- Making LIHTC Work
  - Common Barriers
  - Tips for Success
- Capacity for an Influx of Funding
  - Staff up
  - View all available funding
  - Plan for future opportunities

### COMMON BARRIERS TO ACCESSING LIHTC IN TRIBAL AREAS

<table>
<thead>
<tr>
<th>COMMON BARRIERS TO ACCESSING LIHTC IN TRIBAL AREAS</th>
<th>TIPS FOR SUCCESS IN BUILDING YOUR LIHTC PROPOSAL</th>
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<tr>
<td>Competing in statewide pools of funding</td>
<td>Engage with the QAP</td>
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<td></td>
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</tr>
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</table>

### TIPS FOR SUCCESS IN BUILDING YOUR LIHTC PROPOSAL

- Competing in statewide pools of funding
- Engage with the QAP
- Aligning the regulatory framework
- Address multiple needs with your proposal
- Accessing sufficient capital
- Get clear on your regulatory framework
- Reducing transaction costs at a smaller scale of development
- Build your financial capacity
- Create sustainable systems for financial management
- Consider doing a PSH Project
PHASE 4: DESIGN
Site Selection and Suitability to Build

- Site Suitability: General Factors
  - Including slope, parcel size, soil, and environmental risks
- Common infrastructure needs on Native lands
  - Such as sanitation, electricity, and telecommunications
- Key Factors for site selection
  - Cultural or historic significance and land use
  - Ways to lower infrastructure costs
  - Zoning codes
PHASE 4: DESIGN AND APPROVAL

Site Selection and Suitability to Build

Continued

• Site Alignment with Funding sources
  • State QAPs
  • Duty to Serve Markets

• Gaining Site Control
  • Understanding the Leasehold Process
  • Obtaining a title status report
  • Zoning codes

A portion of Cheyenne River Sioux Tribe’s leasehold process, from the Enhancing and Implementing Homeownership guide.
PHASE 4: DESIGN AND APPROVAL

Design

- Designing with your tribal community in mind
- Green building, sustainability, and health
- Disaster resilience
- Designing for people of all abilities

Remember, design and housing in general is cyclical. Design evolves from pre-development to construction!
Approval to Build

Continued

• Site Alignment with Funding sources
  • State QAPs
  • Duty to Serve Markets

• Gaining Site Control
  • Understanding the Leasehold Process
  • Obtaining a title status report
  • Zoning codes

This clinic had its roof ripped off in a tornado after building contractors used nails instead of screws – if your tribe does not have building codes in place there are always risks.
PHASE 5: CONSTRUCTION
Managing the Construction Process

PHASE 5: CONSTRUCTION

Continued

- Modular vs. On-site Construction
- Recruiting Qualified Contractors
  - Design-Build option
- Phased Development
- Pre-construction Kick-off
PHASE 5: CONSTRUCTION

Developing a Construction Schedule

Continued

• Inspection, Hiring, and Reporting Considerations
  • Tribally-determined wages vs. the Davis-Bacon Act

• Building Community Capacity for Development
  • Using Traditional Materials
  • Recruiting a Native workforce

• Managing Construction Finances
  • What are draw-downs?
  • What are Change-orders?

• Obtaining Your Certificate of Occupancy
PHASE 6: STEWARDSHIP
Overview of Property Management
Roles that comprise your team

Key Tasks
• Security and Safety
• Maintenance and repairs
• Budgeting and financials
• Staffing
• Maintaining and utilizing management information systems
• Leasing, marketing, tenant selection, and eviction
• Compliance with funding sources

Property Manager Responsibilities
• Collecting rent
• Developing and maintaining policies and procedures
• Ensuring compliance with regulations
• Maintaining tenant files and property records
• Providing routine maintenance and repairs
• Providing tenant customer service
• Coordination with services providers
PHASE 6: STEWARDSHIP

Marketing and Tenant Selection

Lease-up process begins well before construction is finished!

- Resident Services
  - Childcare
  - Financial services and education
  - Health and wellness
  - Community empowerment and space
  - Access to transportation
  - Access to internet
  - Cultural activities
  - Proximity to other amenities and services in the broader community
- Wait List
PHASE 6: STEWARDSHIP

Financial Management & Maintenance

• Using an operating pro-forma to track financial management
  • Having a flexible grace period prior to charging a late fee can reduce turnover rates and help set realistic expectations with tenants.
  • Promoting alternative payment options for tenants, including in-person, mail-in, or drop-off
  • Connect tenants with local housing or financial counseling

• Maintenance including
  • Establishing a work order system
  • Vacancy turn-around
  • Inspections
PHASE 6: STEWARDSHIP

Compliance

• Land Use Restriction Agreement (LURA)

• Certifying Household Incomes:
  • Determine number of household members
  • Ask about temporarily absent family members
  • Note any permanently confined family members
  • Identify any live-in aides, and provide verification

• Exemptions, including tribal preference

• LIHTC post 15-year compliance and non-compliance
CONCLUSION
To Recap

Our hope is that NHDG can be one tool for your tribe or organization. Our team is committed to further building Native multifamily development capacity and resources.
Next Steps for NHDG

Please provide feedback on this resource and what trainings/assistance is most useful to you!

• Continuing to add more links, sample documents, and case studies specific to Indian Country
• Provide additional training and technical assistance towards Native multifamily development
• Integrate with homeownership work and capital resources in other divisions of Enterprise

Reach out to our team: eimmonen@enterprisecommunity.org
Thank You