

URBAN RESIDENTIAL FINANCING AUTHORITY

Up to \$4,500,000 Housing Opportunity Bond Leveraged Finance Loan Transit-Oriented Development Pilot Revolving Loan Fund Fact Sheet

- PURPOSE:** To authorize \$4.5MM in HOB Leveraged Finance Allocation to URFA to establish a transit-oriented development revolving loan fund (“TOD Fund”) focused on creating affordable, workforce housing near transit within the City of Atlanta. The pilot TOD Fund is anticipated to provide below market, patient loans to qualified developers to assist with site/property acquisition and limited pre-development activities.
- PROJECT SPONSORS:** URFA, Enterprise Community Loan Fund, and Low Income Investment Fund
- FUNDING SOURCE:** \$4,500,000 Housing Opportunity Bond - Leveraged Finance Allocation
- LOCATION:** City of Atlanta
- PROJECT DESCRIPTION:** In May 2018, URFA issued a Request for Qualifications to qualified and experienced organizations for the formation of workforce housing funds with specific areas of investment focus. Enterprise Community Loan Fund (“ECLF”) and Low Income Investment Fund (“LIIF”) were responsive to the request to form a loan fund focused on workforce housing near transit. URFA will utilize the requested HOB funding to purchase subordinated participating loan interests through a newly created affiliate entity. The acquisition and pre-development loans will be originated by ECLF, the Lead Originator, with LIIF in a co-lending capacity with ECLF.
- ECLF will also involve the [TransFormation Alliance](#) to support a community engagement process focused on broadening community understanding and awareness of transit-oriented development as well as incorporating equity outcome evaluation methodology based upon the framework developed under the [SPARCC](#) initiative. The format and approach towards ongoing community engagement and receiving of community feedback are under discussion.
- Regarding equity and inclusion, the launch of the pilot TOD Fund will mark URFA’s inaugural implementation of an equity evaluation tool that will identify the outcomes and measure the

impact of housing finance resources on the ability of Atlanta residents and communities to thrive. Incorporating this equity evaluation process will support Mayor Bottoms' [One Atlanta](#) initiative, ensuring we implement and refine resource tools that support inclusion and economic mobility. URFA will be closely involved with the development of the equity evaluation tool.

The initial term of the pilot TOD Fund will be 10-years with extension options. Site/property acquisition loans will range from one to three years, with conditional extension options. Pre-development loans will be available on a limited basis.

Potential eligible expenses include:

- Site/property acquisition
- Site/property inspection & surveying
- Site design & drawings
- Site clearing & demolition
- Environmental assessments
- Building design & drawings
- Zoning & permitting

PROJECT OBJECTIVES:

- Support economic mobility for low-to-moderate residents by creating affordable, workforce housing near transit.
- Increase affordable, workforce housing options with access to transit.
- Support mission-driven developers with accessible, rapid, below-market, and patient acquisition capital.
- Provide a model, housing finance resource which can be expanded, scaled, and replicated.
- Complement other affordable housing policies and initiatives.

INITIAL CAPITALIZATION:

URFA -	\$4,500,000
ECLF -	\$5,250,000
LHIF -	\$5,250,000
Pilot TOD Fund	\$15,000,000

PROPOSED SCHEDULE:

ACTIVITY	DATE
URFA Board Approval to Proceed	October 2018
Underwriting criteria and program document development	November 2018
Entity formation and sponsor agreements	December 2018
Community engagement and policy guidelines finalization	January 2019
Pilot TOD Fund Launch	1Q19