

HAPGC Affordable Housing Bond Financing Program

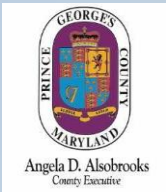
NATHAN F. SIMMS, JR – EXECUTIVE DIRECTOR

YOLANDA HAWKINS - BAUTISA – CHAIR, BOARD OF COMMISSIONERS

ANGIE RODGERS – DEPUTY CAO – ECONOMIC DEVELOPMENT

ANGELA D. ALSOBROOKS – COUNTY EXECUTIVE

Housing Authority
of Prince George's County



Relaunch of the HAPGC Tax-exempt Bond Program

“The relaunch of the Tax-Exempt Bond Program is another huge step in our efforts to expand affordable housing here in Prince George’s County.”

County Executive Angela D. Alsobrooks

Program Goals & Objectives

Goal:

- To provide tax-exempt bond financing for affordable multifamily rental housing projects, that are responsive to the particular needs of the population of residents, within the diverse communities throughout Prince George's County.

Objectives:

- Promote affordable rental housing opportunities for low-to-moderate income individuals, families, and seniors,
- Provide flexible project financing that supports a wide range of housing types,
- Support the adaptive reuse of non-residential buildings,
- Preserve of existing housing units,
- Add efficiency to the financing process as a boutique financier

Targeted Areas For Development

- **Inner Beltway** (Older communities inside the beltway where dollars may be needed for acquisition/rehab projects)
- **TOD** (Transit Oriented Development projects adjacent to, or within ½ mile of Metro stops)
- **Opportunity Zones** (Projects in census tracts designated as Opportunity Zones)
- **Designated Development Areas** (Projects in areas designated by the County for future development e.g., Westphalia)

Eligible Uses

New Construction: New construction of multifamily rental housing, including the creation of new units through the adaptive reuse of existing non-residential structures.

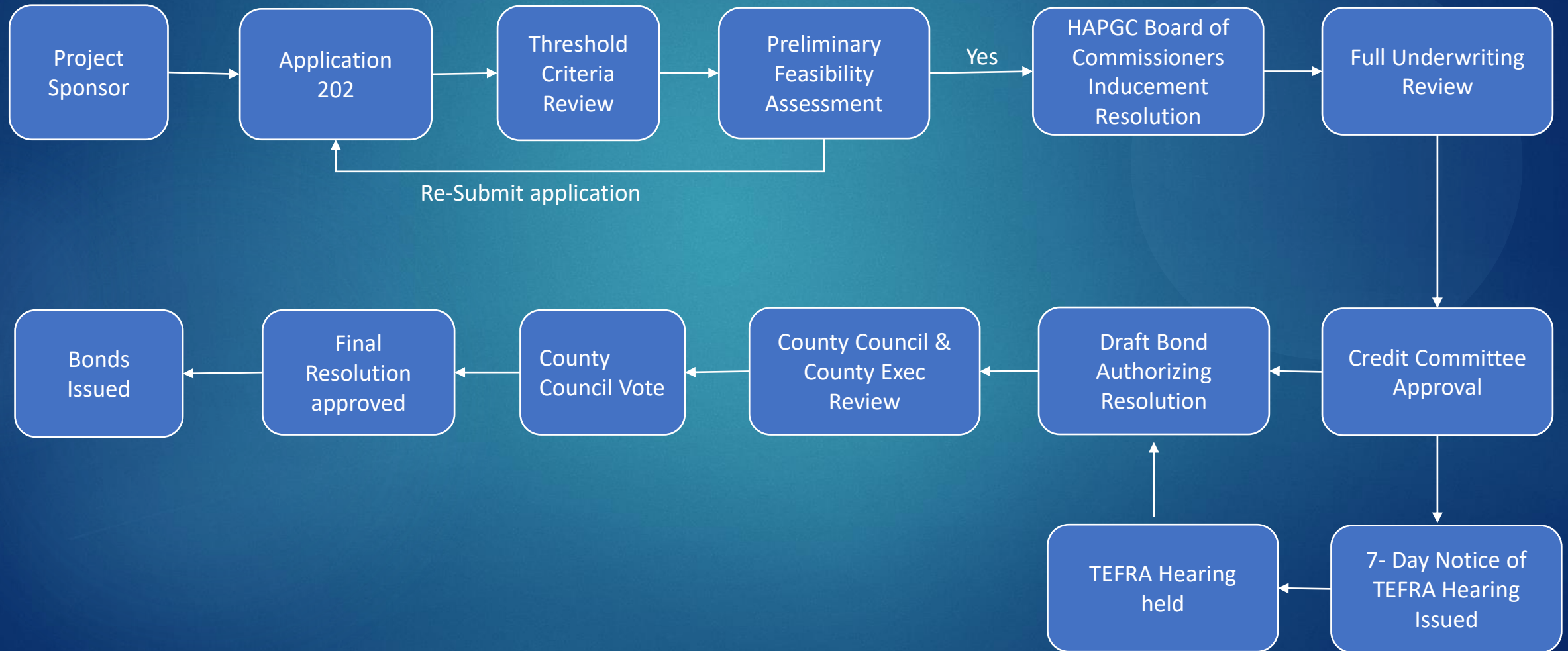
Preservation: Preservation and rehabilitation of existing affordable multifamily rental housing.

Affordability Requirements

The project must meet Bond/LIHTC low-income set aside requirements:

- At least 20% of all the units must be set aside for very low-income households earning at or less than 50% AMI; or
- At least 40% of the units set aside for households earning at or less than 60% AMI.

BOND DEAL PROCESS FLOW CHART



Bond Submission and Approval Time-Line

- I. Application – (Est. time for completion 10 hrs.)
- II. Threshold Criteria Review – (Processing time 2-3 days)
- III. Preliminary Feasibility Assessment– (Processing time 3-5 days)
- IV. HAPCG Board of Commissioners Inducement Resolution Passed (Processing time 5 days)
- V. Full Underwriting Review– (Processing time on-going)
- VI. Credit Committee Approval – (Processing time, 1 day)
- VII. TEFRA Hearing Scheduled and 7 day notice issued (Processing, 1 Day)
- VIII. TEFRA Hearing (1 Day)
- IX. HAPGC Board of Commissioners Draft Bond Resolution Approved – (1 day)
- VI. County Council and County Executive Review – (Processing time, 90 days)
- VII. Final Resolution Approved
- VIII. HAPCG Issues Bonds

Program Fee Structure

- **Application Fee**¹: With the submission of its application, the borrower will pay a non-refundable five-thousand-dollar (\$5,000) application fee.
- **Inducement Resolution Fee**: 15 basis points (.15%) of the bond amount requested, to be credited towards the financing fee due at closing.
- **HAPGC Commitment Fee**: 25 basis points (.25%) of the bond amount requested, to be credited towards the financing fee at closing.
- **Financing Fee**²: 100 basis points (1%) of the bond amount will be due at bond closing.
- **HAPGC Annual Servicing Fee**³: 25 basis points (.25%) of the original bond amount will be due annually.

1. Application fee does not credit towards financing fee.

2. Third-Party Fees Not Included.

3. Initial HAPGC Annual Servicing Fee will be due at closing.

Open Discussion - Panel Guests

Panel Members:

- Sisera M. Daniel Chair of Kutak Rock's Washington, D.C. Public Finance Department
- Sydne Garchik Founder and President of MRK Partners, Inc.
- Tanya Dempsey Principal at CSG Advisors
- James F. McGraw Manager of HAPGC's Development, Modernization and Bond Finance Program

Additional Resources

Available on the HAPGC Website

- Affordable Housing Bond Finance Program – Rental Housing Guide
- Affordable Housing Bond Finance Program – Term Sheet
- Form 202 – Multifamily Rental Financing Application (Excel)
- Form 203 – Developer's and Sponsor/Owner's Qualifications (Excel)

Additional Information

Contact the HAPGC Development, Modernization, and Bond Finance Division

- ▶ James F. McGraw, MBA – Division Manager (jfmcgraw@co.pg.md.us)
- ▶ Angelica Bynoe – Division Administrative Assistant (ajbynoe@co.pg.md.us)
- ▶ Michael Jackson – Division Sr. Project Manager (mjackson2@co.pg.md.us)
- ▶ Jerome Zanelotti – Division Construction Manager (JAZanelotti@co.pg.md.us)
- ▶ Submission Email Address – (HAPGCBOND@CO.PG.MD.US)