

**MIXED-FINANCE
DEVELOPMENT PROPOSAL**

**U.S. Department of Housing
and Urban Development**
Office of Public and Indian Housing

OMB Approval No. 2577-0275
(exp. 1/31/2019)

Public reporting burden for this collection of information is estimated to average 16 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number. This collection of information is required for developing a Mixed-Finance rental project pursuant to HUD regulations 24 CFR 905. The information will be used to provide HUD with sufficient information to enable a determination that the proposed housing project is demographically and financially feasible and that HUD statutory and regulatory requirements have been met.

Pursuant to 24 CFR 905.606, prior to developing public housing, either through new construction or through acquisition (with or without rehabilitation), public housing authorities (PHA) must submit a Development Proposal to HUD which contains information about the project. Submission of a Development Proposal allows HUD to assess the viability and financial feasibility of a proposed development and to assure compliance with public housing regulations.

A Development Proposal must be submitted for all types of public housing development, including mixed-finance development. If a PHA does not submit a Development Proposal and secure HUD approval, the PHA may have to repay any public housing funds used in conjunction with the project.

The purpose of this document is to provide a template for preparation of the Development Proposal. Information may be typed directly into the form. This template may be used for all types of public housing development. However, it is required to be used for mixed-finance public housing development. This document replaces the previously used Rental Term Sheet (HUD form 50030). This document may also be modified by HUD for use with projects including development of non-public housing units through programs such as Choice Neighborhoods, RAD, or Moving to Work.

This document, along with its attachments, generally includes all information required to be included in a Development Proposal, though HUD reserves the right to request additional information or to require less information to carry out its review. In addition, for mixed-finance projects, this document identifies additional documentation needed to allow HUD to complete a Subsidy Layering Analysis for the project, as required under section 102(d) of the HUD Reform Act of 1989. Note that this Subsidy Layering Analysis does not satisfy the subsidy layering requirements related to Housing Choice Vouchers.

For non-mixed-finance public housing development, the Development Proposal and all attachments must be submitted to the appropriate HUD Field Office.

For mixed-finance projects or other non-public housing development, Development Proposals and all attachments must be submitted to HUD Headquarters, Office of Public Housing Investments. PHAs should work with their assigned HUD Project Manager to prepare the Development Proposal. Submission must be made well in advance of closing to allow adequate time for review and approval.

Section 1: Project Information

PHA: _____

Project Name: _____

_____ (Old Name, if applicable)

PIC Project Number: _____

PHA Contact Person: _____

Phone Number: _____

Email: _____

MTW Agency? _____ Yes _____ No

RAD Conversion? _____ Yes _____ No

HOPE VI Grant Name: _____

HOPE VI Grant Number: _____

Choice Neighborhoods Grant Name: _____

Choice Neighborhoods Grant Number: _____

Section 2: Project Description*

Provide a narrative description of the proposed project that gives an overview of the development, including the following information:

- Current project status (ownership, units, occupancy, condition, etc.)
- Proposed project status
- Development method (new construction, rehab, acquisition, etc.)
- Housing type (elevator, walk-up, row house, detached/semi-detached)
- The number of units by type (public housing, LIHTC, PBV, unrestricted, etc.) using Form A of the Development Proposal Calculator
- Proposed energy rating for units (energy star, LEED, local code, etc.)
- Proposed type of internet access
- Non-dwelling space type & size (community center, maintenance shed, etc.)
- Phasing plan (if this project is part of a larger, multi-phases development)
- Proposed residents to be served (families, elderly, disabled, etc.)
- Role of PHA
- Identification and description of Developer
- Description of RAD conversion, if applicable
- Other pertinent information
- Identification of any work requirement or work preference for public housing residents

* Information in this Section 2 must also be included in Exhibit B of the Mixed-Finance Amendment to the ACC Amendment for the project.

Section 3: Site Information

Provide information on the development site, including the following:

- A physical description of the site
- Environmental issues
- Description of the neighborhood
- Proximity of site to retail, education, social services, transportation, jobs, etc.
- Describe any unusual features which might affect development
- Site map
- Map of the surrounding neighborhood and city
- Other pertinent information

Section 4: Key Development Partners and Participating Parties*

Provide the following information for each major partner in the Project:

| ROLE | ENTITY NAME & CONTACT INFORMATION (person, phone & email) | FINANCIAL INTEREST (%) | RELATIONSHIP TO PHA (if any) |
|---|--|-------------------------------|-------------------------------------|
| Developer | | | |
| Ownership Entity | | | |
| General Partner or Managing Member of the Owner | | | |
| Limited Partner or Investor/Limited Member of the Owner | | | |
| Public Housing Authority, Instrumentality or Affiliate | | | |
| Property Manager | | | |
| Construction Lender | | | |
| Permanent Lender(s) | | | |
| Other | | | |
| Other | | | |
| Other | | | |

If a PHA instrumentality or affiliate is involved in the project, provide a description of the relationship between the PHA and the instrumentality/affiliate as it relates to the project (see PIH Notice 2007-15):

*Information in this Section 4 must also be included in Exhibit A to the Mixed-Finance Amendment to the ACC for the project.

Section 5: Project Schedule*

Provide projected dates for each activity identified below:

| ACTIVITY | COMPLETION DATE |
|--|-----------------|
| Demolition Approval from HUD | |
| Disposition Approval from HUD | |
| LIHTC Award | |
| Environment Review Completed (HUD-7015.16 signed) | |
| Relocation Completed | |
| Financial Closing | |
| Abatement/Demolition Completed | |
| Construction Start | |
| Construction Completed | |
| Target Date of Full Availability (DOFA) for Public Housing Units | |
| LIHTC Placed-in-Service Date | |
| Lease Up Complete | |
| Submission of Final Cost Certification | |
| Other: | |
| Other: | |

*Information in this Section 5 must also be included in Exhibit D of the Mixed-Finance Amendment to the ACC Amendment for the project.

Section 6: Compliance with Design and Accessibility Requirements

The design of the project, including the lay-out of units, must comply with accessibility requirements specified at 24 CFR 905.312 and 905.604(g) and any other requirements which apply to the specific project.

PHAs must submit the following architectural plans:

- Site Plan
- Building Plans
- Sections and Elevations
- Unit Plans

The following information must be reflected on the plans or separately provided:

- Site Plans: show exterior private spaces, public recreational areas, location of trees to shade walks, parking areas, etc.
- Building Plans: show the location, type, and mix of accessible and visitable units
- Exterior Elevations and Building Sections: identify materials on walls and roof areas
- Unit Plans: show the livability of the spaces within the dwelling unit by providing adequate floor area for furniture and circulation spaces
- Energy efficiency/green design

Plans for mixed-finance projects will be reviewed by a HUD architect. Before submitting plans, the PHA should consult with the HUD Project Manager to determine where the plans should be sent and in what format, i.e. hard copy, electronic, CD, etc.

Section 7: Project Costs

Provide the following information regarding project costs and financing:

A: Project Budget*

- Provide a construction period project budget reflecting all sources and uses of funds (including grant numbers, if applicable) during project construction using Construction Budget Tab of the Development Proposal Calculator.
- Provide a permanent project budget reflecting all sources and uses of funds (including grant numbers, if applicable) following construction completion using the Permanent Budget Tab of the Development Proposal Calculator.
- Provide a construction draw schedule that shows the projected sources and uses of funds on a monthly basis throughout the construction period using the Draw Schedule Tab of the Development Proposal Calculator.

*The construction and permanent project budgets must also be included in Exhibit F of the Mixed-Finance Amendment to the ACC for the project.

B. Compliance with Total Development Cost (TDC) and Housing Construction Cost (HCC) Limits

- Projects must comply with TDC and HCC limits imposed by HUD on the development of public housing units, pursuant to 24 CFR 905.314. Provide a calculation of TDC and HCC limits for the project using TDC and HCC Tab of the Development Proposal Calculator.

C. Pro Rata Test

- The proportion of public housing funds to total project funds may not exceed the proportion of public housing units to the total number of units. For example: if there are 100 units and 40 are public housing, the amount of public housing funds committed to the project cannot exceed 40% of the total project budget. Note: projects which use public housing funds to construct non-public housing units may include these units in the pro rata test.
- NOTE: the pro rata test applies only to those project costs shown in "Part A" of permanent project budget in the Development Proposal Calculator. "Part B" costs, which are generally costs incurred by the PHA, are not included.
- Provide the following information:

| Type | Number/Amount | Percent of Total |
|--|---------------|------------------|
| Public Housing Units/Approved Non-PH units | | |
| Non-Public Housing Units | | |
| Total Housing Units | | 100% |
| | | |
| Public Housing Funds | | |
| Non-Public Housing Funds | | |
| Total Funds | | 100% |

D. Construction Cost Estimate

- Submit an independent construction cost estimate (cover letter and summary page showing costs broken down by major trades) or the actual construction contract which supports the permanent and construction budgets provided above.

E. Limitation on the Cost of New Construction

- A PHA may not construct new public housing unless the cost of construction is less than the cost of acquiring existing units (with or without rehab.)
- For projects involving new construction, provide the following:

1) Documentation which shows the construction cost of the new project is less than the cost to acquire (and rehab as necessary) similar units in the same neighborhood that would serve the same purpose as the new housing; or,

2) Documentation which shows there is insufficient housing in the neighborhood to acquire that would serve the same purpose as the new housing.

F. Predevelopment Costs

- Pursuant to 24 CFR 905.612(a)(2), use of public housing funds for predevelopment expenses related to mixed-finance projects must be approved by HUD prior to expenditure. PHAs should submit requests to HUD prior to expenditure of funds for predevelopment activities.

- The percentage of predevelopment costs borne by the PHA should be in compliance with HUD's "Cost Control and Safe Harbor Standards for Mixed-Finance Development (April 2003) (Safe Harbor Standards)." Provide the following Information:

Total Predevelopment Costs: \$ _____

Amount paid by the PHA: \$ _____ %

Amount paid by the Developer: \$ _____ %

- Provide a justification if the Safe Harbor Standard is exceeded:

Section 8: Project Financing*

A. Project Financing

- Provide a separate description for each source of financing, i.e., public housing, other public, and private (construction and permanent) included in the project budget. In the description, include the following:
 - Name of the provider
 - Amount
 - Use of funds
 - Grant number (if Capital Funds, RHF, HOPE VI, Choice, etc.)
 - Type of financing (grant, permanent loan, construction loan, second mortgage, etc.)
 - Terms of the financing, such as: length of the loan, interest rate, debt service payments, deferred amounts debt coverage ratio, other lender requirements
 - Other relevant information
- NOTE: Construction loans made by housing authorities or grantees with federal funds may not earn interest.

B. Federal Low Income Housing Tax Credits (LIHTC)

- For projects that include LIHTC, provide the following information:

| | | |
|---|----|----|
| Total Tax Credit Allocation | \$ | |
| Total Equity Commitment | \$ | |
| Equity Per Dollar of Allocation (Equity divided by Allocation) | \$ | |
| Type of Tax Credits | 9% | 4% |

| Pay in Schedule for Investor Equity | | |
|-------------------------------------|----------------|--------|
| Milestone | Projected Date | Amount |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| TOTAL AMOUNT OF EQUITY | | \$ |

- Describe the proposed exit strategy for the Investor at the end of the 15 year LIHTC compliance period, including the role of the PHA, continued preservation of affordable units, and how any exit taxes will be paid.

C. Other Tax Credits

- For projects that include other types of tax credits, such as state LIHTC, federal and state historic preservation, new market, etc. provide the following:

| Type of Tax Credit | Amount of Equity |
|--------------------|------------------|
| | |
| | |
| | |

D. Existing Financing

Identify any existing financing, such as funds through a Capital Fund Financing Program (CFFP) transaction or an Energy Performance Contract (EPC).

- Identify the amount of funding.
- Describe how the debt will be addressed as part of the new project.
- Provide evidence of approval

E. Reserve Accounts

Public housing funds may be contributed towards reserve accounts, subject to the following limitations:

- Public housing funds may not be used to initially fund reserve accounts, with the exception of establishment of an Initial Operating Subsidy Reserve for public housing units only.
- Public housing Operating Subsidy and public housing tenant rents may be used to replenish reserve accounts, but only to replace funds which have been disbursed for allowable public housing expenses.
- Public housing Operating Subsidy and public housing tenant rents may be used to fund the Replacement Reserve, but only in an amount proportionate to the number of public housing units.
- Public housing funds may not be used to fund an Exit Tax Reserve.
- Public housing funds in all reserve accounts must be tracked separately

- Public housing funds in all reserve accounts must remain with the project if sold/ transferred or returned to the PHA.
- Reserve accounts must be described in detail in the Regulatory and Operating Agreement between the PHA and the Owner Entity.

Submit the following information for each Reserve Account included in the project:

1) Initial Operating Period/Lease-Up Reserve (public housing only): \$ _____

| | |
|---|--|
| Identify source of funds to establish reserve account | |
| Identify source of funds to replenish reserve account | |
| Briefly describe when funds may be drawn down | |
| What entity owns the reserve account | |

2) Operating Subsidy Reserve (public housing only): \$ _____

| | |
|---|--|
| Identify source of funds to establish reserve account | |
| Identify source of funds to replenish reserve account | |
| Briefly describe when funds may be drawn down | |
| What entity owns the reserve account | |

3) Operating Deficit Reserve: \$ _____

| | |
|--|--|
| What type of units does this cover (all, only PH, only non-PH, etc.) | |
| Identify source of funds to establish the reserve account | |
| Identify source of funds to replenish reserve account | |
| Briefly describe when funds can be drawn down | |
| What entity owns the reserve account | |

4) Replacement Reserve: \$ _____ per unit per month

| | |
|---|--|
| What type of units does this cover (all, only-PH, only non-PH, etc.)? | |
| Identify source of funds to establish reserve account | |
| Identify source of funds to replenish reserve account | |
| Briefly describe when funds can be drawn down | |
| What entity owns the reserve account | |

5) Other: Identify other reserve accounts and provide the above information for each.

*Information in this Section 8 must also be included in Exhibit B to the Mixed-Finance Amendment to the ACC for the project.

Section 9: Project Fees

The HUD Cost Control and Safe Harbor Standards provide guidance for certain fees and costs related to development. Projects must comply with these Safe Harbor Standards or provide justification for non-compliance. In addition, Choice Neighborhoods projects which include Project Based Vouchers or Project Based Rental Assistance must comply with the “Cost Control and Safe Harbor Standards for Section 8 Projects under Choice Neighborhoods Program, dated November 2015.”

A. Calculation and Pay Out of Developer Fee

- The amount of the Developer Fee must be in accordance with the Safe Harbor Standards. Complete the Fees Tab 6 of the Development Proposal Calculator to accurately calculate the Developer Fee.
- Total Amount of Developer Fee: \$ _____ = _____ % of project costs
- Amount of Fee Paid to Developer: \$ _____ = _____ % of project costs
- Amount of Fee Paid to PHA: \$ _____ = _____ % of project costs
- If the Developer Fee exceeds the Safe Harbor Standards, provide a justification, based on the criteria in the Safe Harbor Standards.
- What is the pay-out schedule for the Developer Fee? Identify the milestone, such as closing or 50% construction completion, and the percent of the fee to be paid at each milestone.

| Milestone | % of Developer Fee Paid |
|-----------|-------------------------|
| | |
| | |
| | |
| | |

- If the Developer Fee pay-out schedule exceeds the Safe Harbor Standards, provide a justification.

Justification:

- If the PHA is providing a loan to the developer to cover developer overhead prior to financial closing, provide a description and justification. HUD approval is required prior to payment of any part of the developer fee.

Description and Justification:

- Is the developer receiving any compensation separate from the Developer Fee, i.e., master planning, relocation, demolition, etc.? If so, identify below:

| TASK | COMPENSATION |
|------|--------------|
| | |
| | |
| | |
| | |

B. Contractor Fees

- The fee paid to the construction contractor must be in accordance with the Safe Harbor Standards. Complete the form in Tab 7 of the Development Proposal Calculator to accurately calculate the Contractor Fee.

| Contractor Fee | Amount | % of Hard Construction Costs |
|---------------------------------------|--------|------------------------------|
| Profit | | |
| Overhead | | |
| General Conditions + Performance Bond | | |
| TOTAL | | |

- If the total amount of the Contractor Fee exceeds the Safe Harbor Standards, provide a justification.

Justification:

- Provide a written explanation of how construction savings (if any) will be allocated among the development parties. NOTE: per the Safe Harbor Standards, developers can only receive an amount equal to an additional 1% developer fee, with a maximum of a 12% fee.

Explanation:

C. Identity of Interest

- If there is an identity of interest between the Developer and the contractor/builder, i.e., a financial relationship between the two parties, the Developer may award the construction contract to the related contractor/builder only if it has met one of the following requirements prior to HUD approval of the Development Proposal. Check the appropriate box and attach the required information:

24 CFR 905.604(i)(1): there has been a bidding procedure and the related contractor's bid was the lowest bid received. Provide documentation on the bidding process and bids received.

24 CFR 905.604(i)(2): there is an independent third party cost estimate that shows the related contractor's price to be at or below the cost estimate. Provide a copy of the cost estimate and the related contractor's cost or construction contract.

C. Property Management Fees

- The fee paid to the Property Manager must be in accordance with the Safe Harbor Standards and must be described fully in the Management Agreement, which will be reviewed by HUD as part of its review of evidentiary materials.

- Identify the Property Manager: _____

- Is the Property Manager a:
 - PHA
 - PHA Instrumentality/Affiliate
 - Private Company
 - Private Company but affiliated with the Developer/Owner
 - PHA/Private Joint Venture
 - Other (explain) _____

- Describe how the Property Management Fee will be calculated:

Description:

- If the Property Management Fee exceeds the Safe Harbor Standards, provide a justification.

Justification:

- Identify any additional fees paid to the Property Manager. Indicate the amount or the fee and/or how the fee is calculated or earned.

| Fee Description | Fee Amount/Calculation |
|-----------------|------------------------|
| | |
| | |
| | |

D. Fees or Income Paid to the PHA*

- Payments received by the PHA, such as developer fees or loan repayments, are generally referred to as program income. The PHA's use of program income is often restricted, depending upon the source of public housing funds contributed to the project.
- Identify any fees or income to be paid to the PHA or its instrumentality/affiliate and the proposed use of the funds:

| Source of Income | Amount | Use |
|---------------------------|--------|-----|
| Developer Fee | | |
| Loan Repayment (if fixed) | | |
| Bridge Loan Interest | | |
| Other: | | |
| Other: | | |
| Other: | | |

*Information included in Paragraph D of Section 9 will also be included in Exhibit H of the Mixed-Finance Amendment to the ACC for the project.

Section 10: Operating Pro Forma

To allow HUD to review the financial feasibility of the project, provide the following:

A) Provide a 15 year operating pro forma, including assumptions, using the pro forma included in the Development Proposal Calculator.

- Show all income and expenses, debt service, and distribution of cash flow (cash flow waterfall) on the pro forma.
- For the public housing units, show, below, how the amount of public housing operating subsidy shown on the pro forma was calculated. Identify the projected PEL, UEL, add-ons, tenant rents, pro-ration, etc. Include assumptions made. Discuss on what information you based your numbers and assumptions.

Methodology Discussion:

- Will all of the Operating Subsidy received by the PHA from HUD be transferred to the Owner Entity? If not, describe how the amount transferred to the Owner Entity will be determined, e.g., a percent of the subsidy, the actual gap between income and expenses, a negotiated amount, etc.

Description:

- Note: Detailed information regarding payment of Operating Subsidy should be contained in the Regulatory and Operating Agreement and will be reviewed by HUD as part of its review of evidentiary documents.

B) Indicate, below, the waterfall or order of distribution of Net Operating Income, identifying all payments for debt service, fees, reserves, loans and excess cash flow.

Distribution:

Section 11: Local Cooperation Agreement

Attach the following to the Development Proposal:

- A copy of the Cooperation Agreement with the local jurisdiction covering the public housing units OR
- For mixed-finance projects only, if public housing units are to be subjected to local real estate taxes, provide documentation/certification from an authorized official of the local jurisdiction that the project is consistent with the jurisdiction's Comprehensive Plan (previously known as a comprehensive housing affordability strategy.)

Section 12: Environmental Review Process and Documentation

This project is subject to the environmental regulations found at 24 CFR part 58 or, if approved by HUD, 24 CFR part 50. The PHA must comply with all environmental review requirements, as required, including 24 CFR 905.602(f), prior to approval of the Development Proposal.

- Provide a brief narrative on the status of the environmental review process:

Status:

- Provide a brief narrative on the status of the "Section 106" (historic preservation) review process.

Status:

Upon completion of the environmental review process, provide the following documentation:

- Form HUD-4128, Environmental Assessment and Compliance Findings for Related Laws (part 50)
- Form HUD-7015.15, Request for Release of Funds and Certification (part 58 only)
- Form HUD-7015.16, Authority to Use Grant Funds (part 58 only)

Section 13: Market Analysis

For mixed-finance projects which include the development of non-public housing units, provide the following, which should support the proposed development of non-public housing units:

- Attach the Executive Summary of the market analysis for the project.

Section 14: Other Requirements

As applicable, provide the following information:

A) PHA Annual Plan/MTW Plan & Capital Fund Action Plan or MTW Plan: The project must be included in the PHA's Annual Plan or MTW Plan and the Capital Fund Program 5-Year Action Plan. Discuss the status of the plan approval processes.

NOTE: For RAD, the conversion must be included as a significant amendment to the Annual Plan/MTW Plan and approved by the HUD Field Office, unless included in the original Plan. A copy of the HUD Field Office approval letter must be submitted prior to closing. In addition, for MTW PHAs, an approved RAD amendment to Attachment A of the MTW Agreement may also be required.

Status:

B) Faircloth Limits: Development of the project cannot result in an increase in the number of public housing units owned, assisted or operated by the PHA on October 1, 1999, as required by 24 CFR 905.602((b)). Provide the following:

| | |
|---|--|
| # public housing units Oct 1, 1999 | |
| # public housing units (in PIC) today | |
| # net new public housing units created by project | |
| TOTAL public housing units after project completion | |

C) Site and Neighborhood Standards: The project must be reviewed and approved by the HUD Field Office for compliance with Site and Neighborhood Standards, including those contained in 24 CFR 905.602(d), prior to approval of the Development Proposal. Provide a brief status of this approval process.

NOTE: Site and Neighborhood Standards do not apply to HOPE VI and Choice Neighborhoods projects. Project must comply with provisions of the Grant Agreement.

Status:

D) Relocation: Relocation activities, if any, must meet the requirements of 24 CFR 905.308(b)(9) or as provided in a HOPE VI or Choice Grant Agreement. Provide a brief status of relocation activities.

Status:

E) Resident Consultation: The PHA must have consulted with affected public housing residents prior to submission of the Development Proposal to solicit resident input into development of the project, as required by 905.600(c)(2) or as provided in a HOPE VI or Choice Neighborhoods Grant Agreement. Provide a brief description of how residents were consulted.

Description:

F) Acquisition of New Units: If the project involves acquisition of units that are less than 2 years old, the project may not have been constructed with the intention of selling it to the PHA unless all applicable Federal requirements were met, as required by 24 CFR 905.600(b)(3). If applicable, provide a brief discussion of compliance with this provision.

Discussion:

G) Vouchers: If the project includes Project-Based Housing Choice Vouchers (PBV), the PHA must receive separate approval of the vouchers from the HUD Field Office prior to approval of the Development Proposal, including a separate subsidy layering review. If applicable, provide a brief status of the PBV approval process.

Status:

H) Designated Housing: If the project includes Designated Housing, the PHA must include the project in its Designated Housing Plan, which must have been approved by HUD prior to approval of the Development Proposal. If applicable, provide a brief status on approval of the Designated Housing Plan.

Status:

I) Demolition/Disposition: If the project includes demolition of existing public housing units and/or disposition (sale or lease) of public housing property, a separate approval must be received from the HUD Special Applications Center. If applicable, provide a brief status on the receipt of these approvals.

NOTE: HOPE VI and Choice Neighborhoods projects follow program specific guidance.

Status:

Section 15: Submission and Approval of Draft Evidentiary Documents for Mixed-Finance Projects

For mixed-finance projects only, the following documents must be submitted in draft form to HUD for review and approval prior to HUD approval of the Development Proposal and prior to execution of the evidentiary documents, unless otherwise approved by HUD. Note: submission of these documents may be made separately after submission of the other elements of the Development Proposal.

- A) Mixed-Finance Amendment to the ACC (HUD Model Document)
- B) HUD Declaration of Restrictive Covenants and Partial Release of the existing Declaration of Trust, if applicable (HUD Model Document)
- C) Regulatory and Operating Agreement between the PHA and the owner entity
- D) Ground Lease and Memorandum of Ground Lease between the PHA and the owner entity
- E) Legal Opinion from PHA counsel (HUD Model Document)
- F) Updated Development Proposal and Development Proposal Calculator, reflecting any changes in the project since the original submission
- G) HUD Certifications and Assurances (form HUD-50161)
- H) Title Policy (pro forma submitted prior to closing and final policy submitted after closing showing HUD Declaration of Restrictive Covenant recorded in the order approved by HUD (reviewed by the HUD Field Office)
- I) ALTA Survey (reviewed by the HUD Field Office)

J) Management Plan, Management Agreement, and sample Tenant Lease (reviewed by the HUD Field Office)

K) Other documents as may be required by HUD

Upon completion of HUD's review of the Development Proposal and the draft evidentiary documents listed above, HUD will issue a letter to the PHA which will approve the Development Proposal and the draft evidentiary documents and authorize the PHA to proceed with financial closing. However, no public housing funds may be expended by the PHA until the final, executed evidentiary documents have been submitted to and approved by HUD.

Section 16: Submission and Approval of Final Evidentiary Documents for Mixed-Finance Projects

For mixed-finance projects only, after financial closing, the PHA must submit the following information to HUD for approval:

- A) a compact disc (CD) or other electronic medium approved by HUD containing copies of all executed and recorded evidentiary documents previously submitted and approved by HUD in draft form. Each document should be copied to the CD or other electronic medium as a discrete file. All documents must be indexed to allow for uncomplicated retrieval;
- B) the required HUD opinion of counsel (HUD Model Document);
- C) a certification from PHA counsel attesting that no significant changes have been made to the evidentiary documents previously submitted to and approved by HUD in draft form, or if changes have been made, a list of all changes, and;
- D) the final title insurance policy that reflects the recordation of all liens, mortgages and encumbrances against the property in the order approved by HUD.

HUD will issue a final letter to the PHA which approves the executed evidentiary documents and authorizes expenditure of the public housing funds committed to the project.

Section 17: Cost Certification

Within one year of project completion, the PHA must submit to the Field Office the Actual Development Cost Certificate (Form HUD-52427) or Development Cost Budget/Cost Statement (HUD -52484) or another form or format as specified by the Field Office.

Section 18: Attachments & Additional Submissions to the Development Proposal

- Attachment 1: Site Map
- Attachment 2: Neighborhood/City Map
- Attachment 3: Architectural Plans
- Attachment 4: Construction Draw Schedule
- Attachment 5: Independent Construction Cost Estimate
- Attachment 6: Documentation on Limitation on Cost of New Construction
- Attachment 7: Documentation on Identify of Interest (if applicable)
- Attachment 8: Cooperation Agreement or Documentation of Consistency with Comprehensive Plan
- Attachment 9: Environmental Compliance Documentation
- Attachment 10: Market Analysis Executive Summary
- Attachment 11: Draft Evidentiary Documents (may be submitted after other elements of the Development Proposal, but prior to HUD approval)
- Attachment 12: Final Evidentiary Documents (submitted after financial closing)