



10 Key Takeaways

The Building Blocks of a Strong Financing Plan

1. Once you receive your CHAP, the steps to submitting a financing plan include: 1) working with PIH, residents, and vendors to complete long-lead time items 2) creating the development plan; 3) securing financing letters of interest; 4) completing the conversion overview memo; and 6) hitting the submit button
2. Submit your PIC removal application within 30 days of receiving your CHAP. Include a simple site map and “Explanation of Units and Property in PIC Removal Application” to help the Field Office understand how any property/non-dwelling units associated with the removal support the RAD units.
3. Submit your FHEO Upfront Civil Rights Review documentation early. Your financing plan cannot be submitted without FHEO approvals (if applicable).
4. Read and understand the information contained in all third-party diligence reports completed on behalf of the PHA.
5. The eCNA tool evaluates the current property condition and analyzes reserves needed over the next 20-years.
6. All PBRA and FHA transactions will require Part 50 Reviews (HUD conducts the Environmental Review). Non-FHA PBV transactions require Part 58 Reviews (Responsible Entity conducts the Environmental Review) with a couple exceptions, such as if the project is using HOME or CDBG funds.
7. Determine **what** your development plan will include: No Debt/Public Housing Funds Only; Conventional Financing & LIHTCs; or FHA 223(f) & FHA 221(d)(4). Determine who will be on your development team.
8. Engage and communicate with consultants, partners, and investors.
9. Ensure all your financing ties together. All deals require dedicated senior staff time or hired capacity. LIHTC deals need outside support unless you have significant in-house capacity.
10. The Financing Plan review by the transaction manager is an iterative process. Responding to questions and providing timely communication are the best tools to keep your Financing Plan review on track.