



Section 108 Loan Guarantee: **Legacy Challenge**



Legacy Challenge

CDBG provides flexible, formula grant funding for States, cities, urban counties, and insular areas. Communities make locally driven decisions on how best to use funding to address priorities.

Multiply your CDBG dollars by using the *Section 108 Loan Guarantee* program for a housing development fund or transformative project by borrowing **up to 5 times your CDBG allocation** in flexible, federally-backed financing.

	FY24 CDBG Allocation	FY24 Section 108 Authority
Small City	\$528,000	\$2,640,000
Mid-Size City	\$4,208,000	\$21,040,000
Large City	\$20,779,240	\$103,896,200



Adaptive Reuse
Hotel Grim | Texarkana, TX



Mixed Use Development
Crosstown Concourse | Memphis, TN



Housing Preservation Fund
Washington, DC

Leave Your Mark on Housing

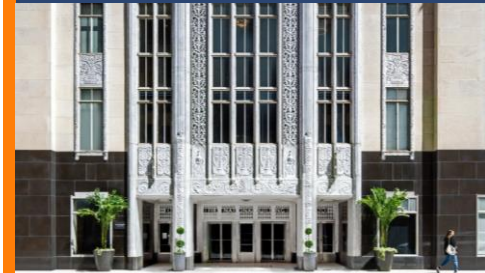
HUD is targeting **up to \$250 million** of our loan authority and extending new flexibilities to applicants using Section 108 for **housing development funds or legacy housing projects**.

Section 108 can provide additional resources to help YOU make transformative changes in your community through:

- Infrastructure to support housing production such as utility installation or upgrades
- Adaptive reuse, including converting unused office space and commercial space into housing
- Preservation, rehabilitation, and repairs of existing units
- Manufactured housing, including facilities to build homes
- Eligible housing uses within mixed-use or transit-oriented development
- Loan pools to support development
- And other eligible projects



Housing Enabling Infrastructure
Twin Rivers | Sacramento, CA



Adaptive Reuse
First National Center | Oklahoma City, OK



Affordable Multi-Family Housing
Avondale Trace | High Point, NC

What will your legacy be?

With this Challenge, easily apply for a Section 108 Loan Guarantee for your legacy project:

- Waivers to streamline and ease program requirements
- Access to flexible capital/financing
- Repayment flexibilities
- Unlimited targeted 1-on-1 support and guidance
- New resources and step-by-step guides for faster approvals

HUD is here to partner with you.

To schedule a time to chat with us, contact Section108@hud.gov



Mixed-Use Development
Aurora Arts Center | Aurora, IL



Historic Rehab / Senior Housing
Faxon School | Kansas City, MO



Adaptive Reuse
The Huntington Building | Cleveland,
OH



Challenge Timeline

August 13, 2024

Challenge Kickoff

August 29, 2024

Overview Webinar

Sept - Oct

Open Office Hours

October

HUD begins processing applications

Nov 1, 2024

Deadline to Express Interest

May 1, 2025

Deadline to post proposed application for public comment

July 1, 2025

Deadline to submit final application to HUD

What support is available for borrowers?



- HUD sponsored open office hours
- Applications workshops



- HUD direct TA
- Small working group TA

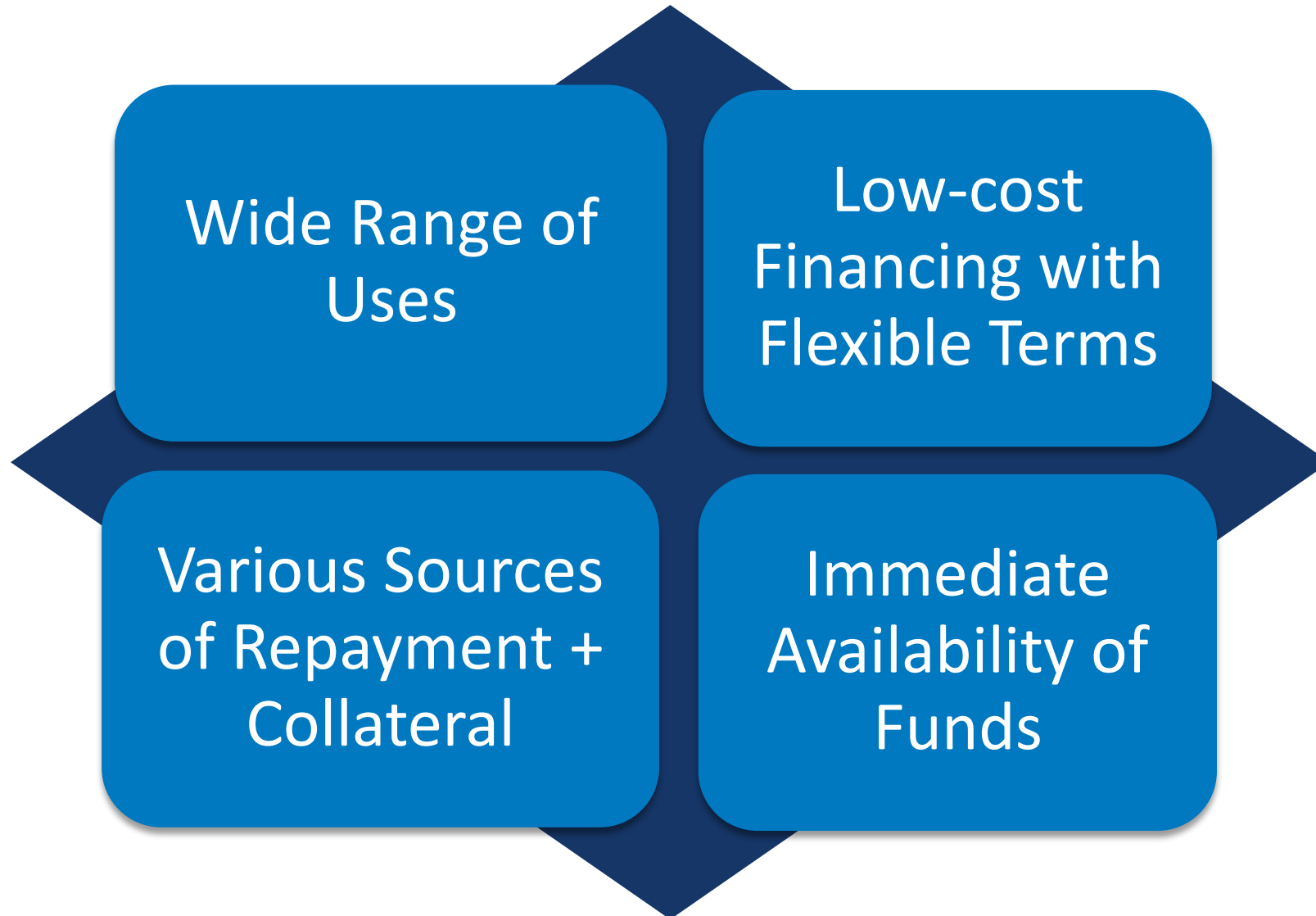


- Application drafting and formatting help
- Guides to underwriting and finance

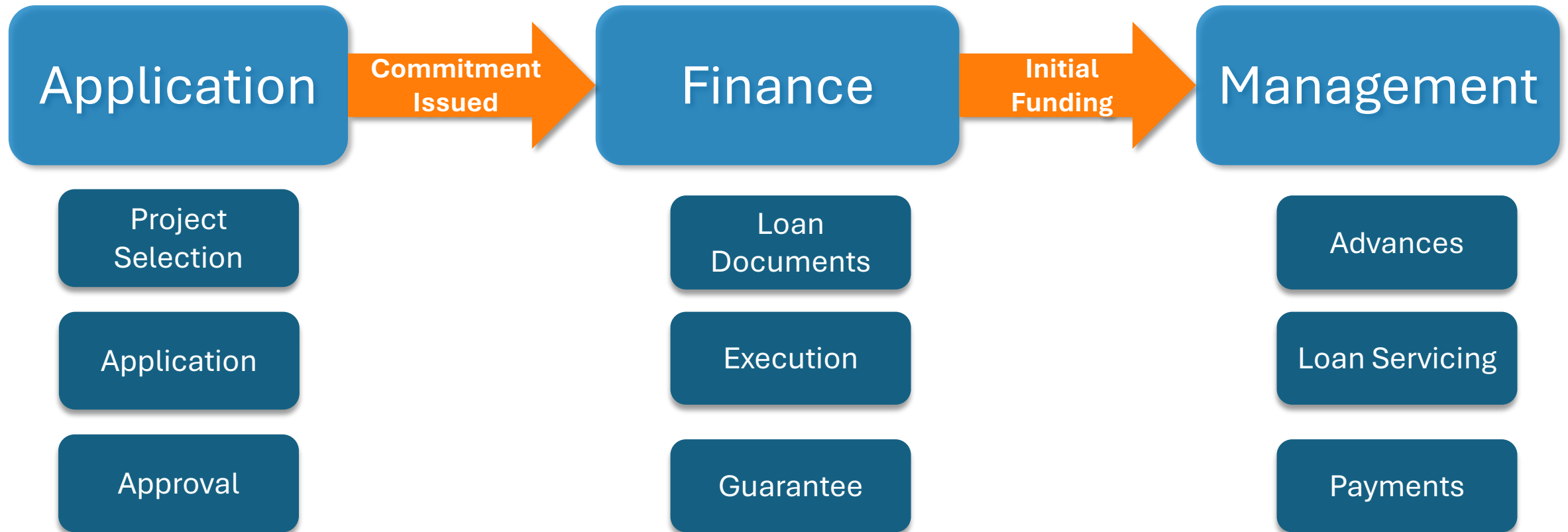


- 1-on-1 help as needed throughout process

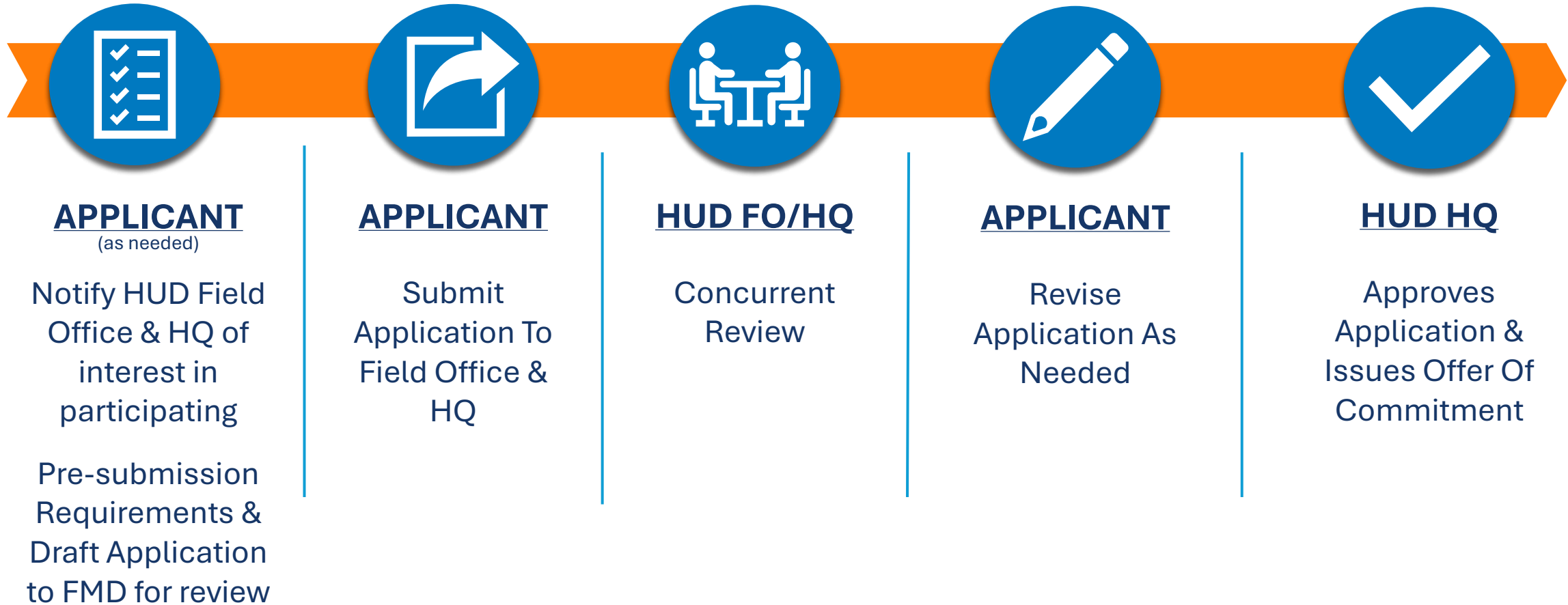
Why is Section 108 an attractive financing tool?



What does the Section 108 process look like?



How does the application process work?



Combining Section 108 with Other Federal Funds



- CDBG
- HOME
- CDBG-DR



- Revolving Loan Funds
- Brownfields Remediation Financing
- WIFIA
- GGRF



- Historic Tax Credits



- 7(a) Loans
- 504 Loans



- BUILD Grants
- TIFIA



- Low-Income Housing Tax Credits
- Opportunity Zones
- New Market Tax Credits



- EDA Public Works & Economic Adjustment Assistance



- Rural Housing Program
 - Direct Loans
 - Loan Guarantees

Deployment Strategies

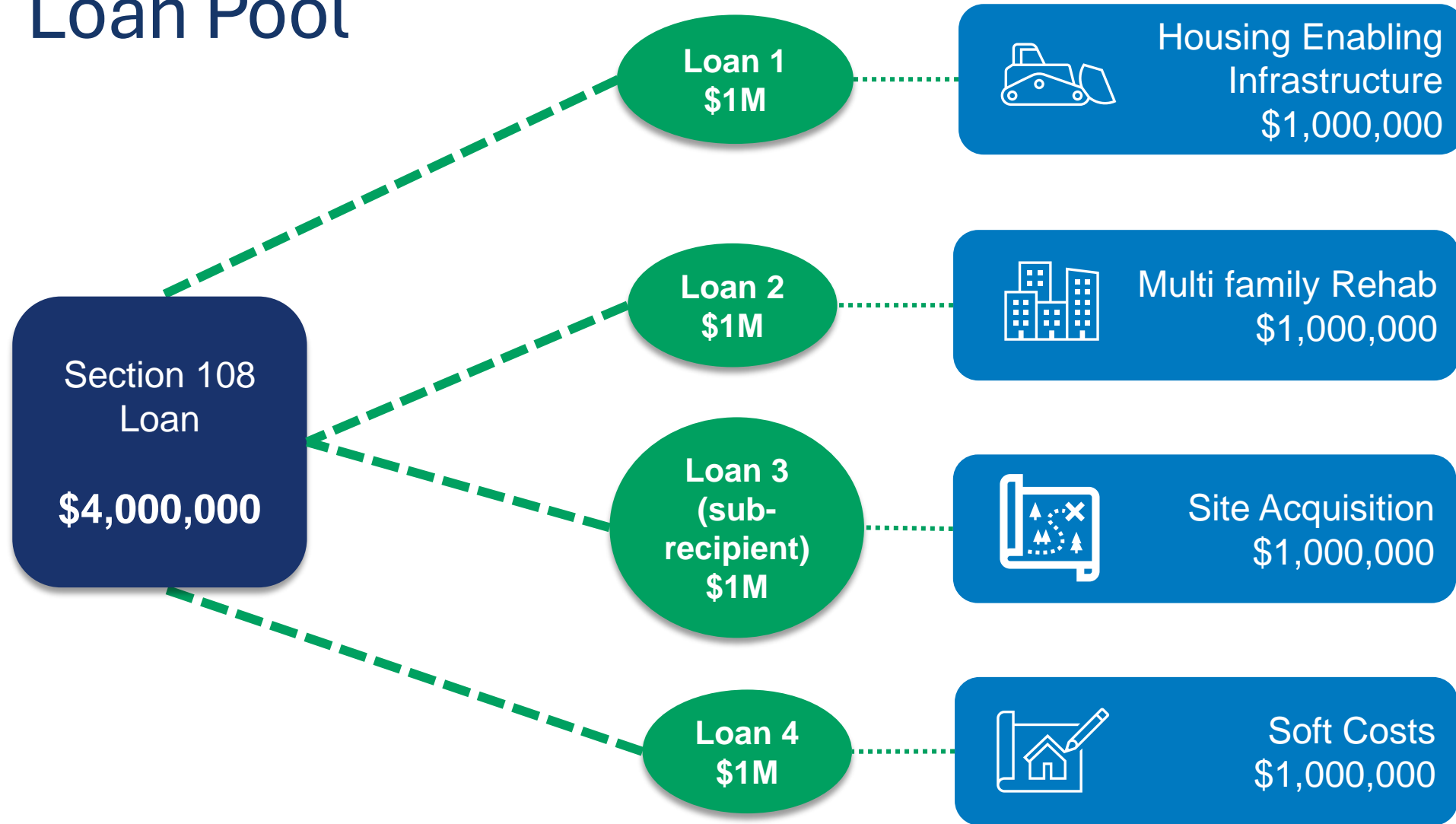
Loan Pool

- Application describes type of projects to be funded along with the community's underwriting process
- Flexible application process allows Field Offices to consider proposals in development, streamlining approval for individual projects as they arise

Project Specific

- Application is for a specific project or projects
- Requires a higher level of project detail & specificity for underwriting by HUD

Loan Pool



Mixed-Use Development | Memphis, TN

Crosstown Concourse | \$4M

The Crosstown Concourse project transformed a former Sears distribution center into a multi-use facility providing employment, medical services, education, and housing. The redevelopment of this 10-story warehouse building and associated structure as a mixed-use development created an economic anchor in the City's Midtown neighborhood.





Mixed-Use Development | Spartanburg, SC

Northside Commons Project | \$3M

Section 108 assisted the financing of the development of Northside Commons, a new construction, mixed-use project in the city's Northside neighborhood. Three buildings (Buildings 1,2, and 3), supplying both new housing as well as leased commercial space to Spartanburg's Northside neighborhood



Thank you for joining us today!



Scan to visit hud.gov for more information on the Section 108 Legacy Challenge, or email us at Section108@hud.gov