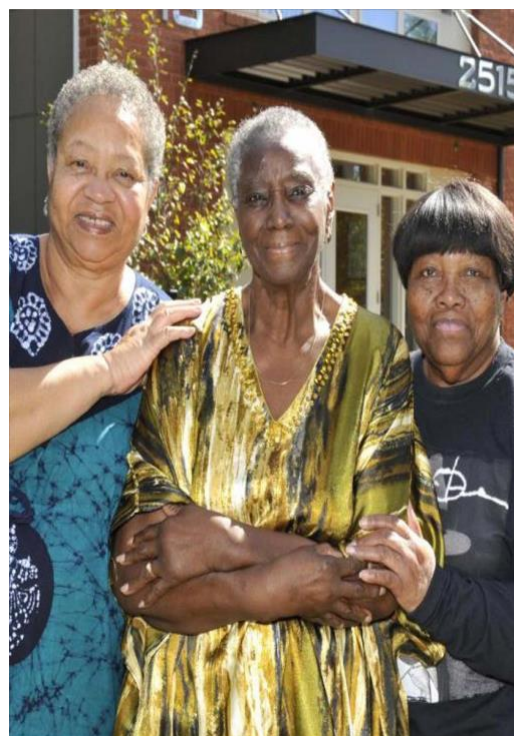




ENTERPRISE COMMUNITY PARTNERS FAITH BASED DEVELOPMENT INITIATIVE ORGANIZATIONAL ASSESSMENT



Enterprise Community Partners (Enterprise) began its Faith Based Development Initiative in 2006 with the goal of creating opportunities for low and moderate-income residents by working with houses of worship (HOWs) to build affordable housing and community facilities on undeveloped or underdeveloped land owned by HOWs. Our approach is to connect HOWs to intellectual and financial capital that will assist them in making informed “go/no-go” decisions about development. If the HOW decides to go forward with a development project, Enterprise seeks to assist them in connecting with development professionals who can assist them in taking their development vision from conception to conversation to clarity to construction to completion. Working in communities across the country – we aim to be in collaboration with HOWs who seek to explore stewardship of their land in a manner that provides impact in their communities through amenities like housing, health care facilities, neighborhood serving retail, child care and healthy food options.

This document is designed to assist HOWs in doing an initial organizational assessment, and an assessment of issues related to joint venturing with a development partner (non-profit or for-profit). We encourage HOWs that are considering doing a housing or community facilities project to take the time to answer these questions. We hope it will help you along your journey.

Visioning / Organizational Planning

<p>What is your vision for your site?</p>	
<p>How will an affordable housing project help to fulfil your organizational mission?</p>	
<p>Is there dedicated leadership and capacity?</p>	
<p>Is there commitment / consensus among leadership and the congregation on your vision?</p>	

Preliminary Site Assessment

<p>Type of property</p> <p><i>Is the site open space, an underused parking lot, existing facility, something else?</i></p>	
<p>Value of land</p> <p><i>Do you know market value? (If not, appraisal will be needed)</i></p>	
<p>Zoning</p> <p><i>Does your property allow for residential development? Do you know the density?</i></p>	
<p>Rezoning (if applicable)</p> <p><i>Does your site need to be rezoned? Are there other pending and neighboring re-zonings? (If so, a consultant will be needed)</i></p>	
<p>Site history</p> <p><i>Do you know the past uses of the site? Are there any neighboring uses that could impact environmental condition?</i></p>	
<p>Neighborhood</p> <p><i>Is your neighborhood predominately residential? What is the average size and scale of neighboring properties?</i></p>	
<p>Community engagement</p> <p><i>Have you discussed plans with neighbors, local elected officials, community board, city council member, Housing Department? (i.e., Rezoning: Dept. City Planning; Variance: Board of Standard and Appeal)</i></p>	

Evaluating Your Potential Partnership

Things to Consider...

1. *Will your project require a bank loan? If so, does your organization have a healthy balance sheet and cash flow?*
2. *Will you be applying for other competitive financing, such as Low-Income Housing Tax Credits? If so, can you demonstrate experience with completing past projects?*
3. *How much capital will be needed before any loans or grants are procured? Can you carry the cost?*
4. *Are you willing to provide guarantees for debt?*
5. *If you said "No" to any of these questions... you will likely need a co-developer (Partner) who can do these things.*

<p>Do your missions and priorities align?</p>	
<p>What resources and strengths are you looking for in a partner? <i>(Create a list and rank most important)</i></p>	
<p>What expertise does your partner have?</p> <ul style="list-style-type: none"> - Years of experience - Number and type of completed real estate projects - Track record completing projects of similar size, scale and population served - on time, within budget - Capacity: Staff available for division of responsibilities - Securing financing from banks, tax credit syndicators, public housing agencies - Track record partnering with faith organizations and/or nonprofits - Experience with the Office of Attorney General review/approval process involving redevelopment of faith owned properties (NYC) 	
<p>Who is on the development team and long-term operational team? <i>(Decide together with your partner)</i></p>	
<p>What else is important to know about your partner? <i>(Solicit reference letters)</i></p>	

Key Considerations for your JV Agreement

<p>Is long-term ownership a requirement for the house of worship?</p>	
<p>Will the project be a Long-Term Joint Venture or Turn-Key Joint Venture? Long-Term ground lease?</p>	
<p>Are there any economic empowerment or other goals you would like to be part of your partnership?</p>	
<p>Who is responsible for decision-making, and how will each partner participate?</p> <ul style="list-style-type: none"> - Within FBO (board, congregation, other) - Within Partnership - Turn-key or Long-term commitment 	
<p>Who is contributing pre-development resources?</p>	
<p>Who is providing Guarantees - for bank loans and investors?</p>	
<p>Who is making key decisions?</p> <ul style="list-style-type: none"> - Selection of development team? - Selection of bank and investor? Design? - Change orders during construction? 	
<p>What is the share of ownership interest for each partner in the project?</p>	
<p>Other key considerations (if applicable to current deal structure):</p> <ul style="list-style-type: none"> - Cash developer fee - Deferred developer fee - Cash flow 	

Checklist for Joint Venture Roles

Who will prepare project budgets?	
Who will submit applications to agencies and financial institutions?	
Who is the financial consultant (if necessary)?	
Who is the political consultant (if necessary)?	
Who is the Bank point of contact?	
Who is the Syndicator point of contact (if a LIHTC deal)?	
Who is the Government agency/agencies point of contact?	
Who is the Architect?	
Who is the General Contractor?	
Who will manage the construction loan and requisition process?	
Who will manage or oversee construction?	
Who will be the property manager?	
Who will be the social service provider (if applicable)?	

Who will be asset and compliance manager?	
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Pre-Development Resources

Early Pre-development Resources	
Availability of early predevelopment funding sources and ability to secure funds	
Land acquisition/Sale to Partnership	
Professional costs: <ul style="list-style-type: none"> • Architect / Zoning Analysis • Development Consultants • Legal • Third-party Costs • Financing Application fees 	

Resources to consider for the project, but not available until construction closing:

- Special government programs, i.e. tax abatements and exemptions
- Access to social service funding

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