Decide DeKalb
Development Authority

HOUSING CATALYST MUTLIFAMILY GAP FINANCING PROGRAM GUIDELINES

DEKALB COUNTY HOUSING INVESTMENT BOND PROGRAM

JULY 2026

Decide DeKalb is a development authority and public body corporate and politic, duly created under the Development Authorities Law, O.C.G.A. §36-62-1, et seq., as amended, and an activating resolution of the Board of Commissioners of DeKalb County, Georgia adopted on September 24, 1974. Pursuant to an intergovernmental agreement with DeKalb County, dated as of February 25, 2014 (the "IGA"), Decide DeKalb conducts economic development activities under various provisions of applicable law, promotes the revitalization and growth of DeKalb County, and serves as DeKalb County's redevelopment manager pursuant to the Redevelopment Powers Law, for the purpose of implementing redevelopment initiatives within the five (5) County-supported tax allocation districts.

Decide DeKalb has several financial incentive programs that it administers for real estate development. These programs include: the Housing Investment Bond Program, EPA Brownfield Revolving Loan Fund, and Tax Allocation Districts. Finally, Decide DeKalb administers 501(c)3 bonds, and the Property Tax Incentive program issuing lease-purchase bonds which provide a 10-year reduction on property taxes in exchange for a project with public benefits such as workforce housing or permanent job creation.

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I. PROGAM OVERVIEW

The Housing Investment Bond Housing Catalyst Fund (HCF) was created to provide gap financing to address a growing need for attainable housing units across the income spectrum for homeowners, builders, developers and community housing development organizations in the DeKalb County.

Moneys held in the program fund will be used for subordinate, low interest loans to developers to partially finance the acquisition, construction or renovation of rental housing in DeKalb County. These funds may be used in conjunction with conventional financing, bond financing or other private/public financing to construct and/or rehabilitate residential housing and finance predevelopment and site development costs. **No HCF loan may be made or unconditionally committed to be made unless the developer has evidence of a firm commitment letter from funding sources detailing the terms and conditions for the balance of the total costs of the housing development.**

The obligation to repay the loan shall be evidenced by a promissory note and shall be secured by a deed to secure debt. Each housing project financed with HCF funds shall be regulated by a land use restriction agreement for a minimum of 15 years. Funding is subject to availability.

II. ELIGIBLE DEVELOPMENTS

- New Construction or Acquisition & Rehabilitation
- Adaptive Reuse/Conversion of an existing property not being used for housing
- Multifamily rental unit developments
- Minimum of twenty (20) rental units
- Minimum of 10 units reserved for households earning up to 120% of area median income (AMI) for the Atlanta-Sandy Springs-Roswell metropolitan statistical area (MSA).
- Maximum rents for attainable units will be based upon the AMI limit adjusted for household size as published annually by the U.S. Department of Housing and Urban Development for the Atlanta-Sandy Springs-Roswell metropolitan statistical area. For the purpose of calculating maximum attainable unit rents, household size is based upon 1.5 persons per bedroom.
- Be located within DeKalb County, GA
- Project must demonstrate evidence of financial need
- Neighborhood Preferences:
  - Economic development priority areas
  - Qualified Census Tracts
  - Difficult to Develop Zones
  - Within 1 mile of MARTA Mass Transit
  - Within a DeKalb County/Decide DeKalb Tax Allocation District (TAD)

- Developments must complement, enhance, and improve the existing character of the neighborhood
- Applicants are encouraged to structure projects as mixed-income developments, and align with regional and federal affordability standards and goals

III. USE OF FUNDS

- Funds may be leveraged with conventional, bond or other private or public financing
- Funds serve as gap/bridge loans only; underwritten based on need
- Eligible Costs:
    - Hard Construction Costs
    - Soft Costs & Predevelopment
    - Acquisition with new construction or rehab
- Used as subordinate mortgage loans (gap financing)
- Compliance Period:
    - Projects will require a compliance period for the greater of 15 years, or the term of the loan, evidenced by a Land Use Restriction Agreement (LURA) recorded on the property.
- Right of First Refusal:
    - Right to purchase if owner sells the property before the latter of (a) the end of compliance period; or (b) or the end of the loan term.

IV. ELIGIBLE APPLICANTS

- Development teams must demonstrate experience commensurate with scope and size of the proposed project
- Development teams must have success in leveraging additional funds
- Development teams must have a successful track record of property management and marketing
- Must secure all other sources of capital for the balance of the total development cost of the project, evidenced by firm commitment letters.

V. UNDERWRITING GUIDELINES

- Loan Amounts:
    - Maximum amount per attainable units:
        - Up to 60% AMI: $100,000/unit
        - 61-80% AMI: $75,000/Unit
        - 81-120% AMI: $50,000/Unit
    - Maximum amount per project: $2,500,000
- Loan Terms: up to 45 years, contingent on financial feasibility

- Loan Amortization: up to 45 years, contingent on financial feasibility
- Interest Rates: up to 4.5%, contingent on financial feasibility
- Debt Service Coverage Ratio:
    - Minimum: 1.10x (must-pay debt)
    - Maximum: 1.30x
- Maximum Combined Loan-to-Value (LTV): 95%
- Maximum Combined Loan-to-Cost (LTC): 90%
- Emphasis on financial sustainability and risk mitigation
- Interest Only periods and balloon payments will be considered when projects demonstrate financial need
- Fees:
    - Application Fee:
        - For Profit Developers: The greater of 20 basis points (0.20%) of the total loan amount or $3,500.
        - Nonprofit/CHDO Developers: $1,000.
        - Due upon submission of application.
    - Commitment Fee:
        - The greater of 30 basis points (0.30%) of the total loan amount or $5,000.
        - Due and payable upon Board of Directors' approval of the award.
    - Loan Origination Fee: 1.0% of total Loan Amount
    - Annual Administrative Fees: $7,500, due on Closing Anniversary Date
    - Annual Affordability Compliance Fee: $1,500

VI. APPLICATION & AWARD PROCESS

For the 2026 Housing Investment Bond issuance, Decide DeKalb has structured an application process to prioritize eligible projects based on their readiness to proceed:

- **Tier 1:** Eligible projects applying for 4% LIHTC applications in September 2026;
- **Tier 2:** Eligible projects that will complete financial closing by December 31, 2026; and
- **Tier 3:** All other projects that do not meet the requirements of Tier 1 and Tier 2.

Applications will be considered on a first come first serve basis and reviewed in the order they are received.

A. Tier 1 - Conditional Commitment (2026 4% LIHTC Applicants)

- Projects submitting 4% LIHTC applications to the Georgia Department of Community Affairs on September 25th, 2026.
- These projects need a commitment letter to strengthen their LIHTC application but will likely not close until 2027 or 2028, if they receive a LIHTC award.

- Application requirements:
    - Decide DeKalb Housing Catalyst Application Workbook
    - Evidence of Site Control (Deed, Executed Purchase and Sale Agreement, Long Term Ground Lease, etc.)
    - Preliminary Sources & Uses demonstrating financial need
    - Commitment letters from all sources of capital (can be contingent or letters of intent/interest)
    - Construction Budget
    - Unit Matrix & Rents
    - Operating Proforma for the requested loan term, no less than 15 years
    - Development Schedule
    - Construction Draw Schedule for all sources of capital
    - Affordability Compliance Period proposal
    - Development Renderings and Existing Site Photos (Concept Drawings & Site Plan)
    - Market Study
    - Phase I Environmental Site Assessment
    - Phase II Environmental Site Assessment, if applicable
    - Development Team Resumes (Developer, Architect/Engineering firm, General Contractor, Property Manager)
    - Development Team Previous Experience in similar projects (Developer, Architect/Engineering firm, General Contractor, Property Manager)
    - Letter from CHDO Board supporting the request for funds (if applicable)
- Applicants receive:
    - Full Underwriting Review
    - Board of Directors Approval of Commitment Letter contingent upon:
        - receipt of a 2026 DCA 4% LIHTC award; and
        - updated underwriting post-LIHTC Award demonstrating the project still meets all eligibility and underwriting requirements;
    - Post-LIHTC award, Applicants will be required to:
        - Submit updated financials and re-confirm commitments from all sources of capital
        - Return to the Board of Directors for full funding approval and authorization to proceed with financial closing no less than 60 days prior to the projected closing date.
    - Projects that receive a Housing Catalyst Contingent Commitment Letter and do not receive a LIHTC award in the 2026 4% LIHTC round and intend to proceed with the project without LIHTC funding must:
        - Submit a revised application demonstrating all sources of capital have been identified; and
        - Commit to a financial closing date no later than December 31, 2027.

B. Tier 2 - Funding Allocation – immediate closing pipeline

- Projects that can close by December 31, 2026 but do not require a 2026 4% LIHTC allocation.
- Only $9M in Housing Catalyst funds will be awarded for projects closing by December 31, 2026. Once 100% of the 2026 funding is allocated and awarded, Tier 2 applications will close.
- Application requirements:
  - Decide DeKalb Housing Catalyst Application Workbook
  - Evidence of Site Control (Deed, Executed Purchase and Sale Agreement, Long Term Ground Lease, etc.)
  - Sources & Uses demonstrating financial need
  - Firm commitment letters from all sources of capital
  - Construction Budget
  - Unit Matrix & Rents
  - Operating Proforma for the requested loan term, no less than 15 years
  - Development Schedule
  - Construction Draw Schedule for all sources of capital
  - Affordability Compliance Period proposal
  - Development Renderings and Existing Site Photos (Concept Drawings & Site Plan)
  - Market Study
  - Phase I Environmental Site Assessment
  - Phase II Environmental Site Assessment, if applicable
  - Development Team Resumes (Developer, Architect/Engineering firm, General Contractor, Property Manager)
  - Development Team Previous Experience in similar projects (Developer, Architect/Engineering firm, General Contractor, Property Manager)
  - Letter from CHDO Board supporting the request for funds (if applicable)
- Applicants receive:
  - Full Underwriting
  - Board of Directors approval of full award and authorization to complete financial closing no later than December 31, 2026.

C. Tier 3 - 2027 Pipeline

- All projects that do not meet the requirements of Tier 1 and Tier 2 categories, with an anticipated financial closing date no later than December 31, 2027.
- Initial Application Requirements:
  - Decide DeKalb Housing Catalyst Application Workbook
  - Evidence of Site Control (Deed, Executed Purchase and Sale Agreement, Long Term Ground Lease, etc.)
  - Preliminary Sources & Uses demonstrating financial need

- Commitment letters from all sources of capital (can be contingent)
- Unit Matrix & Rents
- Construction Budget
- Unit Matrix & Rents
- Operating Proforma for the requested loan term, no less than 15 years
- Development Schedule
- Construction Draw Schedule for all sources of capital
- Affordability Compliance Period proposal
- Development Renderings and Existing Site Photos (Concept Drawings & Site Plan)
- Market Study
- Phase I Environmental Site Assessment
- Phase II Environmental Site Assessment, if applicable
- Operating Proforma for the requested loan term, no less than 15 years
- Development Schedule
- Affordability Compliance Period proposal
- Development Team Resumes (Developer, Architect/Engineering firm, General Contractor, Property Manager)
- Development Team Previous Experience in similar projects (Developer, Architect/Engineering firm, General Contractor, Property Manager)
- Letter from CHDO Board supporting the request for funds (if applicable)

- Full Application Requirements:
  - Construction Budget
  - Construction Draw Schedule for all sources of capital
  - Development Renderings and Existing Site Photos (Concept Drawings & Site Plan)
  - Market Study
  - Phase I Environmental Site Assessment
  - Phase II Environmental Site Assessment, if applicable
  - Letter from CHDO Board supporting the request for funds (if applicable)

- Applicants receive:
  - Full Underwriting
  - Board of Directors approval of full award and authorization to complete financial closing
  - Board approval will include a requirement to close on financing no later than December 31, 2027.

D. Timelines

July 31st, 2026 12:00 PM	Applications open for Tier 1 and Tier 2 projects.
August 21st, 2026	Application Round closes for Tier 1 projects. Decide DeKalb reserves the right to close Tier 1 applications early if allocations exceed $10M. (Applications for Tier 3 projects will remain open until 100% of the $25M Housing Catalyst Funding is fully allocated and approved by the Board.)
August 24th, 2026	Tier 1 2026 LIHTC Applicants are notified of decision status and will receive a draft term sheet and conditional commitment letter for review.
August 28th, 2026	All Tier 1 draft term sheets and draft conditional commitment letters must be finalized in preparation for Board approvals.
September 4th, 2026	Board of Directors Project Incentives Review Committee Presentation (virtual – applicant attendance mandatory)
September 10th, 2026	Board of Directors' Approval of to Authorize Awards (applicant attendance mandatory, may be virtual or in person at Decide DeKalb offices)
September 25th, 2026	Application Round closes for Tier 2 projects. Only $9M in Housing Catalyst funds will be awarded for projects closing by December 31, 2026. Once 100% of the 2026 funding is allocated and awarded, Tier 2 applications will close. Tier 2 applicants will be notified of decision status on a rolling basis. Board approvals for Tier 2 applicants will take place in October and November, typically the 2nd Thursday of the month.
November 2nd, 2026	In the event 100% of the $25M Housing Catalyst funds have not been fully awarded by this date, Applications will open for Tier 3 projects.
Tier 3 Awards	Approval of Tier 3 Awards will occur on a rolling basis until the Housing Catalyst Fund is fully committed.