



**GEORGIA DEPARTMENT  
*of* COMMUNITY AFFAIRS**

# Rural Workforce Housing Initiative Construction Loan Application Guide

Office of Community Housing Development  
Georgia Housing Finance Authority/Georgia Department of Community Affairs

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## Rural Workforce Housing Initiative Construction Loan Application Guide

### Overview

The Georgia General Assembly approved \$35.7 million to start the Rural Workforce Housing initiative in the Amended Fiscal Year 2023 Appropriations bill, signed into law in March 2023.

OneGeorgia Authority launched the Rural Workforce Housing Initiative (RWHI) on May 5, 2023, to develop housing to meet the demand of the growing workforce in rural areas.

With these funds, the OneGeorgia Authority created two funds. OneGeorgia Authority will provide \$25.7 million in infrastructure grants to local authorities. OneGeorgia Authority granted \$10 million to the Georgia Housing Finance Authority (GHFA), administered by the Georgia Department of Community Affairs (DCA), to provide housing construction loans.

This manual explains how to apply for housing construction loan funds. For information about the Infrastructure Grants, visit the OneGeorgia Authority website at: [OneGeorgia Authority | Georgia Department of Community Affairs](#)

The purpose of the Rural Workforce Housing Initiative Construction loan program is to provide financial assistance, in the form of 0-3% interest construction loans, to build for-sale housing in rural areas.

Rural Workforce Housing Initiative funds will be awarded on a rolling, competitive basis to projects that demonstrate an ability to address:

- Ongoing workforce housing needs, as identified by a recent local housing study;
- Difficulty satisfying workforce needs, such as recruitment and retention, in communities or regions with low unemployment, and/or
- A community or regional commitment to expand and improve the existing housing stock.

Rural Workforce Housing Development Construction loans will be awarded to local governments and development authorities to develop housing. The local governments/development authority will select the developers, which may include nonprofit and community housing development organizations. Depending on the complexity of the project, DCA may also require the local government/development authority to hire an experienced project manager to oversee the project.

Development plans must meet local community housing needs, create quality, for-sale homes to be sold at a price that is affordable to area median-income households.

A copy of the Notice of Funding Availability, the Application package, and other related materials are at the Georgia Department of Community Affairs website at: [Rural Workforce Housing Initiative Notice of Funding Availability | Georgia Department of Community Affairs](#)

### Funds Available

The Georgia Department of Community Affairs anticipates awarding up to 10 loans for a total of \$10 million in Rural Workforce Housing Initiative funds. Additional funds will be available as loan proceeds are received.

Applicants may apply for up to \$1,000,000 to pay for up to 40% of the development costs. Construction loans will be provided to applicants at 0-3% interest with no loan fees. The remaining 60% of the financing must be from other sources. Eligible loan expenses include hard and soft construction costs to build for-sale single-family homes and a 10% developer fee. DCA's construction loan cannot be used for land acquisition.

Applications for less than \$250,000 will not be accepted; however, DCA reserves the ability to waive minimum and maximum funding limits at its discretion and to fund, in whole or in part, any, all, or none of the applications submitted.

### Loan Financing Example:

Fund Source	Amount	Percent
DCA Loan	\$1,000,000	40%
Primary Lender Loan	\$1,250,000	50%
Builder Cash Equity	\$100,000	10%
<b>Total</b>	<b>\$2,350,000</b>	<b>100%</b>

### Eligible Applicants

Units of general-purpose local government (e.g., city, county, consolidated government), as well as local, regional, and state authorities, generally in partnership with a housing developer, are eligible to apply.

### Ineligible Applicants

- Any person or entity on the federal debarred list, or an organization representing such person or entity on that list.
- Any person or entity (or affiliate thereof) that received notice that they are currently out of program compliance for the State of Georgia programs.
- Any person or entity (or affiliate thereof) who is in default on any DCA program loan.

### Eligible Activities and Costs

Eligible activities include:

- Homes must be built in eligible and conditionally eligible One Georgia communities included on this [map](#).
- Construction of single-family homes with a sale price of no more than \$290,000 and no less than \$125,000

## Ineligible Activities

The following activities or Application characteristics will be ineligible for funding:

Applications that exhibit any of the following characteristics as described:

- Potential or existing environmental hazards on site or adjacent sites
- Relocation or displacement of residents, businesses, or nonprofits on the existing property
- Political activities, advocacy, or lobbying
- The intentional sale for any purpose other than owner-occupied housing, or the sale of more than a single parcel to any one entity, is not permitted.

## Eligible Activity Costs

- Construction financing: Funds may be used for the hard or soft costs of the development of the homes
- Developer's fee: The Developer Fee will be limited to 10% of the total development cost, less any demolition or land acquisition costs

## Ineligible Costs

- Land acquisition
- Development of rental housing
- Site development unrelated to the single-family homes

## Application Procedures

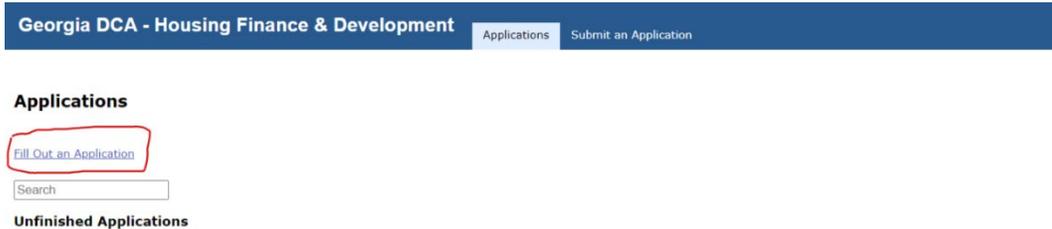
Applications will be accepted on a rolling basis as long as funds remain available. Applications must be submitted through the Emphasys portal.

## Loan Closing Fee

DCA will charge a loan closing fee of up to 2.5%, which must be due and paid upon signing the loan agreement.

## Emphasys Application Navigation Instructions

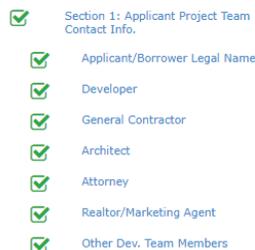
1. Click on the following link to apply: [Georgia DCA - Housing Finance & Development](#)
2. Select “Register” and fill out the applicant credentials
3. Once you’ve created a username and password, select the blue underlined phrase saying, “Fill Out an application.”



4. Select the “Rural Workforce Housing Initiative” Application and enter the name of the applicant. **Do not** check the box next to “Test Application.” Click “Fill Out Application”
5. If you want to skip the question while you fill out the application, click the “Save and Next” button after entering information, even if you have not filled out some questions, to move further.

Save and Next

6. All boxes on the left side panel must be checked with a green check mark. If all boxes are not checked, the application is not complete, and you will get an error message at submission.



7. Once you get to the checklist portion of the application, you must select and upload each requirement. If all boxes are not checked, the application is not complete, and the system will not let you apply.

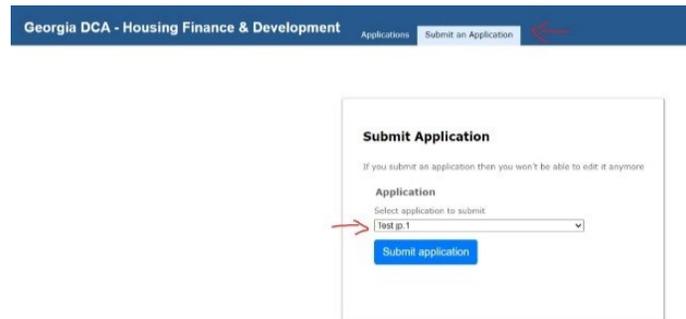
This checklist is provided for your reference for all the items requested in the Applicant Project Team Contact Information section. Please check the ones you have submitted.

- \*  General Contractor’s AIA form
- Architect’s AIA form
- Developer’s Executive Director/President’s resume
- Summary of all for-sale housing developments completed from the last 5 years.
- Summary of the applicant and/or the developer’s experience receiving loans or grants from the State of Georgia
- Contractor License

8. Once you get to the end of the application, there might be an error message like the picture below. This is to show you what sections you have not completed. This allows you to review and add information as requested.



9. Once you have gone through and submitted the required documents and reviewed the checklist, you are now able to submit the application.



# Rural Workforce Housing Initiative Construction Loan Application Instructions

## Section 1: Applicant and Project Team Contact Information

Complete the applicant's and the housing development team's contact information, and be sure to attach the requested attachments.

### Housing Development Team Experience

This section asks for information about the applicant, developer, contractor, architect, attorney, realtor, and other development team members.

Attachments for this section include:

- Copy of the contractor's current license
- Developer's resume
- Summary of all for-sale housing developments in the past 5 years
- Summary of the applicants' or development team's experience receiving loans or grants from the State of Georgia
- Three organizational references

## Section 2: Housing Development Project Information

This section asks for information about the project location, project information, parcel information, site plan, design plan, visitability, energy efficiency/sustainable construction, readiness to proceed, environmental review, and the home sale plan.

Attachments for this section include:

- Construction schedule detailing each home's start date, construction completion date, and estimated home sale date.
- Proof of land possession
- Site plan, floor plan, and elevations, if available
- Home design plan
- Zoning documents
- Phase 1 ESA
- Home sale plan

### Project Information

Applicant must describe the development and how many homes they will build.

### Project Location

The applicant must input the project's location.

## Parcel Information

Applicant must provide proof of control of the proposed property site.

## Site Plans

Attach Site Schematics: Site plan, floor plans, and elevations if available, and a narrative including:

- Address
- Site Control: Deed, Agreement of Sale, Option Agreement, or Letter of Commitment from Public Agency, as applicable
- Site photos
- Number of homes to be built
- Project timeline including acquisition, financing, design, construction start/end dates, marketing and sales, and repayment for all phases of the development.
- Statement that the development plans meet all local building codes, zoning, and ordinances

## House Design Plan

Attach the house plans

### Home construction standards:

The purpose of this program is to build affordable starter homes defined as less than 2,000 sqft containing two to three bedrooms, at least one full bathroom, and a full kitchen with a sale price that cannot exceed \$290,000

DCA does not require homes to be detached single-family homes and will not require specific design styles; however, at a minimum, all units must meet all applicable local codes and zoning ordinances at the time of development completion.

Any units utilizing gas appliances must provide carbon monoxide detectors in addition to standard smoke detectors.

Developments are encouraged to include energy efficiency and green building standards wherever feasible.

Developments are encouraged to incorporate xeriscaping, native tree planting, permeable surfaces, and other environmental conservation measures wherever feasible.

### Visitability:

If the homes meet the visitability standards, explain how the plan incorporates these design elements.

Developments are encouraged to meet the “visitability” standards. Visitability is defined as design concepts that allow persons with mobility impairments to enter and stay, but not necessarily live, in a residence. Three specific design elements must be incorporated to satisfy the visitability mandate:

- Each home must contain at least one zero-step entrance on an accessible route. This can be any entrance to the unit.
- All main floor interior doors (including bathroom doors and walk-in closets) in each unit must provide at least 31 ¾ inches of clear opening width and
- Each unit must contain at least one half or full bathroom on the main level that is accessible

### Energy Efficiency and Sustainable Construction:

If the homes and overall development incorporate energy efficiency and sustainable construction materials and practices beyond what is required by the Georgia code, explain how.

### Readiness to Proceed

What is the current zoning for the property?

Are there any zoning changes, use permits, or variances required? Please describe.

Explain the rezoning plan and expected timeline, if applicable:

### Environmental Review

If a Phase 1 Environmental Site Assessment has been completed for this site within the last twelve months, attach the Summary, Findings & Conclusion sections of the Phase 1 ESA

### Home Sales Plan

Explain how the homes will be marketed to homebuyers and include how the applicant will prevent homes from being sold to investors or used as rental property.

If the applicant plans to engage a pre-purchase housing counseling agency or refer potential buyers to down payment assistance programs and low-interest mortgage products, explain the plan to carry out these activities.

## Section 3: Community Information

Attachments for this section include:

- Local Government Housing Assessment
- Market Analysis
- Letter(s) from the local government supporting development

### Local Housing Assessment

Attach the local government’s housing assessment, plan, or study if available.

The following are examples of acceptable plans to include in the application:

- The local community’s housing element in the Comprehensive Plan
- The local community’s housing plan was created through participation in the Georgia Initiative for Community Housing (GICH)

The housing assessment should, but is not required to, meet the following elements:

- Local government adoption of the plan
- Public input and engagement during the planning stages
- The plan or amendments to the plan are less than five years old
- The proposed site location is targeted in the plan
- The plan includes the goal of developing housing to meet workforce housing needs
- Evidence of the need for housing construction to meet workforce needs, such as:
  - Ongoing workforce housing needs;
  - Difficulty satisfying workforce needs, such as recruitment and retention, in communities or regions with low unemployment, and/or
  - A community or regional commitment to expand and improve the existing housing stock.

A guide for creating a housing assessment can be found at:

[https://www.fcs.uga.edu/docs/HDRC\\_HousingAssessmentGuide.pdf](https://www.fcs.uga.edu/docs/HDRC_HousingAssessmentGuide.pdf)

### Market Analysis:

Attach a market analysis covering as many of the following factors as possible:

#### Market Area Definition:

- A brief definition of the Primary Market Area (PMA), including boundaries of the market area and their approximate distance from the subject property.

#### Site Description and Evaluation:

- A brief description of the physical features of the site and adjacent parcels.
- A brief overview of the neighborhood land composition (residential, commercial, industrial, agricultural).
- A discussion of site access and visibility.
- Any significant positive or negative aspects of the subject site.
- A summary of the site's proximity to neighborhood services, including shopping, medical care, employment concentrations, public transportation, etc.
- A brief discussion of public safety, including comments on local perceptions, maps, or statistics of crime in the area.

#### Community Demographic Data:

- Current and projected household and population counts for the PMA.
- Median area household income

#### Economic Data:

- Trends in employment
- Employment by sector
- Unemployment trends
- A brief discussion of any recent or planned major employment contractions or expansions.

#### Housing Market Data and Demand Analysis:

- Trends in home sale prices
- Median sale prices
- Average number of days on the market

- Average difference between list price and sales price
- Home listing inventory
- Number of new home construction permits issued

#### Comparable Market Analysis or Appraisal:

- Attach a Comparable Market Analysis (CMA) or appraisal for the proposed site if available

#### Support from Local Government

Attach a letter from the local government supporting the development.

### Section 4: Financing

This section asks for information about the project's financial sources.

Attachments for this section include:

- Attach the RWHI budget worksheet
- Attach Audited financial statements for the last three years
- Attach Federal income tax returns for the last three years
- Attach the Lender's promissory note for 50% of the financing
- Attach proof of documentation for 10% developers' equity
- Attach proof of other financing sources (lender promissory note/loan commitment letter)
- Attach the Vendor Authorization Agreement
- Attach the W-9 form

Please see the [Application Attachment Checklist](#) on the next page.

# Application Attachment Checklist

## Section 1: Applicant and Project Team Contact Information

- Copy of the contractor's current license
- Developer's resume
- Summary of all for-sale housing developments from the past 5 years
- Summary of the applicants' or development team's experience receiving loans or grants from the State of Georgia
- Three organizational references

## Section 2: Housing Development Project Information

- Construction schedule detailing each home's start date, construction completion date, and estimated home sale date.
- Proof of land possession
- Site plan, floor plan, and elevations, if available
- Home design plan
- Zoning documents
- Phase 1 ESA
- Home sale plan

## Section 3: Community Information

- Local Government Housing Assessment
- Market Analysis
- Letter(s) from the local government supporting development

## Section 4: Financing

- Attach the RWHI budget worksheet
- Attach Audited financial statements for the last three years
- Attach Federal income tax returns for the last three years
- Attach the Lender's promissory note for 50% of the financing
- Attach proof of documentation for 10% developers' equity
- Attach proof of other financing sources (lender promissory note/loan commitment letter)
- Attach the Vendor Authorization Agreement
- Attach the W-9 form

**The attachments listed above are REQUIRED before applying. If all the attachments are not attached to the application, DCA will NOT be able to view the final application, resulting in an incomplete application that will be discarded.**

## LOAN AWARD

Loans will be awarded to applicants who demonstrate the following:

- Adequate experience developing similar developments
- Project cost reasonableness
- Adequate financial resources
- Project locations meet the State's effort to build homes near rural job centers lacking housing.
- Project meets local priorities, local zoning and ordinances, and state environmental requirements.
- Ability to complete homes and sell them within 30 months of the loan agreement execution date.

## TIMEFRAME FOR COMPLETION AND LOAN REPAYMENT REQUIREMENTS

RWHI funds must be expended within the timeframe specified in the loan award documentation, which is generally 30 months from the date of the award. For purposes of the loan, "completion" is defined as 1) all activities for which funds were received are complete, 2) all awarded funding has been expended, and 3) all award close-out procedures have been finalized.

Loan Repayment terms will be established between the applicant and DCA and paid back to DCA upon the sale of the homes after all phases of construction are completed.

## CONTACT INFORMATION

For additional information, please contact Jimish Patel, GHFA Grants and Programs Manager, Georgia Department of Community Affairs, at [jimish.patel@dca.ga.gov](mailto:jimish.patel@dca.ga.gov).