

## **Step 14. Stress the project’s design quality in all funding applications**

### **Why is this important?**

Applying for funding is one of the most important phases in the development process. You need to convince your funders that your project makes sense – socially and financially – and that it is worthy of funding at the level you are requesting. Good design can help.

A quality project – one that meets user needs, enhances its neighborhood and is built to last – will be perceived as a long term asset to the community rather than a liability. Such a project reduces, rather than increases, a lender’s risk and is far more likely to receive favorable consideration than a run-of-the-mill effort that meets the code and nothing more.

Clearly indicating how your project has been designed to the highest quality standards and how this is beneficial to the lender will substantially increase the credibility of your loan package and help speed the loan approval process. The same approach will also be useful in applications for regulatory approval.

### **When should this be done?**

During the preparation of funding applications.

### **Who should do this?**

The owner/developer with input from the design team.

### **What should be done?**

- Make sure that the application and its presentation clearly convey that this is a high quality design project.
- Use architectural renderings and other drawings to reinforce the message.
- Describe your development process and how it is deliberately structured to ensure design quality.
- If you have followed the steps presented in the Design Advisor, say so and use material from the Project Book as evidence.
- Emphasize the extent and outcome of community participation in the design/development process.
- Explain the benefits design quality brings to a project and why these benefits are good for the lender.
- Explain how this process also results in accurate and realistic cost estimates, as indicated in the loan application.
- Use examples from the Design Advisor, or other sources, to strengthen your presentation.

- Photocopy the sections of your application(s) that make the argument for design quality –text, drawings, photographs, etc. – and add the photocopies to the Project Book.

**How can doing this move my project forward?**

- Banks, funding organizations, and equity partners are constantly reviewing development proposals.
- Emphasizing design quality - and its role in creating long term community assets rather than short term shelter - should significantly increase their interest in and comfort level with your project.
- The result will be a faster and easier funding approval process.

**Additional resources**

Further information on funding applications and approvals can be found at:

The Enterprise Foundation [www.enterprisefoundation.org](http://www.enterprisefoundation.org)

The Development Training Institute [www.dtinational.org](http://www.dtinational.org)

The Local Initiatives Support Corporation [www.liscnet.org](http://www.liscnet.org)

The Neighborhood Reinvestment Corporation [www.nw.org/nrc](http://www.nw.org/nrc)

**Sections of Funding Application(s) Stressing Design**

*Insert photocopies of the sections of your funding application(s) which stress and illustrate the design quality of your development.*