

PRELIMINARY ARCHITECTURAL FEASIBILITY REPORT

I GENERAL. The following may be used as a guide for preparation of the Preliminary Architectural Feasibility Report as required for Rural Development financed facilities.

A Need for the facility.

B Existing facilities. Describe - include condition, adequacy, suitability for continued use and other pertinent information.

C Proposed facility. General description of proposed facility including design criteria adopted for continued use and other pertinent information.

D Building sites.

- 1 Amount of land required.
- 2 Location - Alternate locations.
- 3 Site plan.
- 4 Site suitability.

E Cost estimate.

- 1 Development and construction.
- 2 Land and rights.
- 3 Legal.
- 4 Architect fees.
- 5 Interest.
- 6 Equipment.
- 7 Contingencies.
- 8 Refinancing.
- 9 Other (described).

F Annual operating budget.

1 Income - Include rate schedule. Project income realistically.

2 Operation and maintenance costs - Project costs realistically.
In the absence of other data, base on actual costs of other existing
facilities of similar size and complexity. Include facts in the report to
substantiate operation and maintenance cost estimates.

G Maps, drawings, sketches, and photographs.

1 Maps - Show locations, boundaries, elevations, population
distribution, existing and proposed facility, right-of-way, and land
ownership.

2 Drawings and sketches - Show preliminary design and layout
elevations.

3 Photographs - As needed.

H Construction problems. Discuss in detail - Include information on
items which may affect the cost of construction.

I Conclusions and recommendations. Discuss possible alternatives to
proposed plans.

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RD Instruction 1942-A, Guide 6

Additional Instructions

TN RD Attachment

I. General

- A. **Need for the facility.** Ensure the need for the project is adequately presented to support the size/scope of the proposed project.
- B. **Existing facilities.**
- C. **Proposed facility.** Address state fire marshal requirements and accessibility compliance (ABAAS 2015 if non-residential).
- D. **Building Sites.** Describe proposed project considerations compared to other project alternatives to address the need.
- E. **Cost Estimate.** Project Cost Estimate to include;
 - 1. **Development and construction.** Include separate detailed breakdown of estimated construction costs preferably on unit cost basis.
 - 2. **Land and rights.**
 - 3. **Legal.**
 - 4. **Architect fees.** Costs should be broken out for the PAR, Design, Inspection, and Recoverables. Denote whether basic services and construction admin. and separate out geotechnical/survey/etc if considered in the Architectural Agreement.
 - 5. **Interest.** This pertains to the construction loan interest and origination costs. Should be based on construction draw schedule (can be obtained with Owner and RD Specialist input).
 - 6. **Equipment.** This estimate needs to be supported by a listing of the equipment and detailed cost breakdown.
 - 7. **Contingencies.** If less than 5% of construction cost estimate, provide justification. Typically ranges from 5-10%. Projects involving renovation or other unknown factors require a higher percentage.
 - 8. **Refinancing.**
 - 9. **Other (described).**
 - a) Resident Inspector budget estimate if not in Arch fees - full-time inspection required for new construction unless detail is provided in PAR to support request for less than full-time inspection.
 - b) Denote the estimated construction time for each contract (Optionally can additionally provide an estimated project schedule).
 - c) Denote in PAR the planned procurement method (competitive sealed bids or other) and planned contracting method (design-bid-build or Design Build, CMc, etc.).
 - d) If more than one contract for the project is proposed, denote the number of proposed contracts with what scope is included in each.
 - e) This section should also include details on the other costs to the project not identified by the items above: This could include but not be limited to: other consultant fees, working capital and debt service reserves,

construction management fees, debt issuance costs, surveys, testing, appraisals, site utilities and access, project escalation for inflation, and furniture if not included under equipment.

- F. Annual operating budget.** Work with the applicant's staff responsible for the financial affairs in assembling this information and/or their financial consultant. In this area it would be important for the Architect to indicate any design or equipment aspects that would impact the overall operational costs of the plant. The applicant and/or their financial consultant should incorporate this information in the financial feasibility report. It is **NOT** necessary for the architect to go into a great deal of detail on income and expenses when a separate financial feasibility report is being prepared by the applicant or their consultant.

1. Income

2. Operation and maintenance costs

- G. Maps, drawings, sketches, and photographs.**

1. Maps. Include preliminary site plan.

2. Drawings and sketches. Include preliminary floor plan(s) and building elevations.

3. Photographs

- H. Construction problems.**

- I. Conclusions and recommendations.** This item can be covered under Item D where most applicable.