

PADD Homeownership Application Homebuyer Affordability Budget Q & A

DHCD periodically announces the release of Solicitations for Offers (SFOs) for blighted properties and vacant lots throughout the nation's capital. Through the SFO process, DHCD seeks public offers to build development projects that promote vibrant, walkable, mixed use and income neighborhoods. DHCD has put together a few questions and answers that have been asked regarding SFOs. The questions and answers may not fully apply to your SFO, but should be helpful to understand how DHCD administers its SFO program.

What is the general objective of the worksheet?

The intent of the worksheet is to look at the development from the perspective of affordability to the homebuyer. This worksheet looks at the development cost of a SINGLE unit and the affordability of THAT unit to the homebuyer at the target income level.

For instance, your total development may have five 2 bedroom units (with identical construction costs), two priced at 60% AMI and three priced at 120% AMI. You would need to fill out ONE worksheet for the 60% AMI target buyer and a separate worksheet for the 120% AMI target buyer.

How does the information included in this sheet differ from the other worksheets identified in the Solicitation? e.g., The sources and uses worksheet?

This worksheet is different from all other budgets because this shows sources and uses for only a SINGLE unit. This breaks the sources and uses down by TYPE of unit and affordability target. "Complete one for each unique development cost and affordability target"

Does this mean the goal is to break out the entire development's costs and sources on a unit by unit basis? i.e., Are the development costs intended to reflect the entire project or each unit's portion of the project.

This worksheet looks at the cost of an individual unit. Applicants must provide a worksheet for EACH unique unit type and target income combination.

Please note that cell V8 asks for "Number of Units." This refers to how many units of this unique size and affordability target are there in the total development. The worksheet costs and source information will be for only a one unit sample, but there may be multiple units with that combination of cost & income target. Cell V8 is where you list how many of this type of unit there are in the total development.