

# REQUEST FOR QUALIFICATIONS TO PRE-QUALIFIED POTENTIAL ASSIGNEES UNDER THE DISTRICT OPPORTUNITY TO PURCHASE ACT

Issue Date: November 16, 2018

Pre-Bid Meeting: December 10, 2018

Submission Date: January 11, 2019

**No proposal will be accepted after 4:00 p.m. on the submission date. There will be no exceptions to this policy.**

Brian Kenner  
Deputy Mayor for Planning and Economic Development

Polly Donaldson, Director  
Department of Housing and Community Development  
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# I. INTRODUCTION

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The District's Opportunity to Purchase Amendment Act of 2008 (D.C. Official Code 2001 ed., as amended, §42-3431.01 *et seq.*) (DOPA) is a tool to promote affordable rental housing by maintaining the affordable status of existing affordable rental units as well as increasing the total number of affordable rental units. The District's DOPA rights are subordinate to the tenants' rights to purchase under the Tenant Opportunity to Purchase Act of 1980 (TOPA). Therefore, DOPA applies when tenants decline to exercise their rights under TOPA.

DOPA permits the Mayor, or the Department of Housing and Community Development (DHCD) as designee, to purchase a housing accommodation with five or more residential units if at least 25 percent of the rental units are affordable. An Affordable Unit is a rental unit for which the existing Monthly Rent and Utilities paid by the tenant is equal to or less than 30 percent of the monthly income of a household with an income of 50 percent of the Median Family Income (MFI) for the Washington Metropolitan Statistical Area (MSA), as set forth by the U.S. Department of Housing and Urban Development (HUD). The Mayor may assign the District's right to purchase to a developer that meets certain standards and selection criteria set by DHCD.

DHCD, as the Mayor's designee, seeks to identify a pool of Pre-Qualified Developers for the possible assignment of DOPA rights for the purpose of preserving affordable housing. DOPA requires that Pre-Qualified Developers demonstrate an ability to preserve affordable housing in the District of Columbia. A selected Pre-Qualified Developer will be added to a list of developers who are willing and qualified to be considered to be the Mayor's Assignee in exercising the District's right to purchase. To be qualified as a Pre-Qualified Developer, interested developers must apply and recertify annually for the right to bid. DHCD may open the application process on an as-needed basis.

The assignment of the Mayor's right to purchase will occur in a separate competitive process restricted to Pre-Qualified Developers. As the Mayor's Assignee, a Pre-Qualified Developer must comply with DOPA statutory and regulatory requirements by maintaining Affordable Units within the housing accommodation and increasing the number of affordable units. Further details on the DOPA program are available at <https://dhcd.dc.gov/service/district-opportunity-purchase-act-dopa>.

## **II. INVITATION TO SUBMIT QUALIFICATIONS**

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The District invites developers, or teams with management/development experience, with demonstrated capacity and successful experience with owning, operating, and developing multi-unit affordable rental housing projects in the last five years to submit their qualifications. Eligible developers will be invited to respond to an additional request for a specific property as each DOPA opportunity is announced by DHCD.

The District is an equal opportunity employer and seeks to have a diverse Pre-Qualified Developer pool. In selecting Pre-Qualified Developers, DHCD expects all applicants to demonstrate commitment to equal access, integrity in business practices, timeliness, and accountability while meeting the needs of customers.

This RFQ does not commit the District to pay for any cost of proposal preparation or procure or contract for the goods or services specified herein. The DHCD contracting officer is the only party who may legally commit the District to the expenditure of funds or any other obligation in connection with this proposed procurement.

Any contact, correspondence, or communication will be solely with the applicant of this RFQ. Contact with anyone other than the Contract Administrator may result in the disqualification of the applicant from participating in this RFQ.

The responsibility for monitoring each applicant's compliance with, and the enforcement of, the applicable laws and regulations will rest solely with DHCD or another appropriate government agency.

## **III. ASSIGNMENT OF RIGHTS**

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The form of contract to be used will be a standard assignment of rights contract. In addition, Pre-Qualified Developers shall comply with all applicable federal and district laws. A covenant will be recorded against the subject property confirming the affordable restrictions and shall remain in place in perpetuity.

## IV. SUBMISSION REQUIREMENTS

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Developers will be evaluated and selected as Pre-Qualified Developers for the assignment of the District's DOPA rights based on their record of accomplishment with affordable housing projects similar to the projects that DHCD expects to be available under DOPA. The following criteria is required of all applicants and any application submitted without a complete set of documentation will not receive further consideration.

1. **Cover Letter:** The cover letter shall state the applicant's address, number of employees that will staff the project, years in business, annual revenue for the applicant, and a contact person.
2. **Narrative Proposal (See Attachment A)**
  - Demonstrated commitment to affordable housing.
  - Demonstrated capacity and successful experience with owning, operating, managing (either the applicant or through an agent of the applicant) and developing multi-unit affordable rental housing projects in the last five years.
  - Comprehensive list of applicant's prior affordable and market-rate housing developments, including property addresses, number of units, project financing, and affordability covenants as applicable.
  - Qualifications and capacity of personnel and contractors to carry out the development, operation, and maintenance of a housing accommodation.
  - List of lenders and equity sources used in prior projects.
  - Applicant's capacity to carry out the acquisition, development, maintenance, and operations of a housing accommodation and proposed plan to access financing.
  - Description of the applicant's typical marketing program.
  - Description of the applicant's property asset management experience and program.
  - Description of the applicant's typical property management plan.
  - Proposed approach to executing program goals/DOPA affordability requirements and the building size the applicant would be interested in bidding on through DOPA.
3. **Certifications:** Complete the following affirmations:
  - Statement that the applicant has never been in financial default as either a borrower or guarantor, or if to the contrary, explaining in complete detail all of the circumstances.
  - Agreement by the applicant to obligate itself and its successors and assignee in earnest to maintain affordability of the housing accommodation in accordance with §42-3404.33 of DOPA.
  - Certification that for the previous 10-year period, the person or each principal in the applicant entity has substantially complied with all applicable federal and local laws in the maintenance and operation of all multifamily buildings in which it has an ownership or management interest.

- Contract affidavit signed by all applicant team members certifying they are not debarred from participation in any federal program or have any unresolved default or noncompliance issues with the District of Columbia.

**4. Applicant Qualifications Forms**

- a. DHCD Form 203
- b. DHCD Form 209
- c. Resumes of all applicant’s principals
- d. Contract Affidavit
- e. Clean Hands Certificate
- f. Certificate of Good Standing and registered to do business in the District of Columbia
- g. Monitoring Certification Form (Form provided by DHCD)
- h. Articles of Incorporation
- i. Organizational Chart
- j. 501(c)(3) Certificate (if applicable)
- k. IRS Form 990 (three years) (if applicable)
- l. SBE/CBE Documentation
- m. Sample Marketing Materials

5. **Applicant Financial Statements:** The submission shall provide documentation for interim financial statements through the prior quarter and either audited, compiled, or internal financial statements for the three fiscal years prior to the application. These documents must be submitted in the form of Balance Sheets and Income Statements. **Note:** This information will not be disclosed to anyone other than the selection committee.

6. **Additional Information:** The applicant also should attach additional information that the applicant deems relevant. This information should show successful schedule creation and management of similar projects. All additional information must be no more than 10 pages.

**V. SELECTION PROCESS TIMELINE**

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November 16, 2018	RFQ Released
December 10, 2018	Pre-bid Meeting with selected Pre-Qualified Developers to review process that will occur when a property-specific RFP is released
January 11, 2019	RFQ Applications Due

## **VI. SUBMISSIONS**

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Applicants meeting these minimum requirements who are interested in being considered for this opportunity must submit their qualifications no later than 4:00 p.m. on January 11, 2019 through the Box portal on the [DHCD website](#). All questions related to the RFQ must be submitted to [DOPA.DHCD@dc.gov](mailto:DOPA.DHCD@dc.gov).

# ATTACHMENT A: DOPA RFQ NARRATIVE TEMPLATE

(Add additional spaces or pages as needed)

Applicant Name: [Insert Name of Organization]

Provide Basic Information About Your Organization	
Name of Organization	
Primary Contact Person/Title	
Address	
Email	
Phone Number	
Overall Size of Staff	

1. Explain the Applicant's commitment to affordable housing.



2. Explain in detail the Applicant's qualifications and capacity of personnel and contractors to carry out the development, operation, and maintenance of a housing accommodation. If all aspects will not be carried out by the Applicant, explain in detail the entity that will provide the services, the qualifications and capacity of each entity, and the relationship between all entities and the Applicant.

A large, empty rectangular box with a thin black border, intended for the applicant to provide detailed information regarding their qualifications, personnel, and contractors as requested in the question above.

- a. List key staff members involved in real estate activities and explain their relevant experience and responsibilities.

<b>Name</b>	<b>Title</b>	<b>Job Responsibilities</b>	<b>Years of Experience /Skill</b>

b. What is the Applicant's real estate development track record?

c. What are the Applicant's other significant accomplishments (include dates and current programs)?

	<b>Program Name</b>	<b>Date</b>
<b>Accomplishment 1</b>		
<b>Accomplishment 2</b>		
<b>Accomplishment 3</b>		
<b>Accomplishment 4</b>		
<b>Accomplishment 5</b>		

- d. Provide a list of Applicant’s prior affordable housing and market-rate housing development or ownership experience in the District of Columbia, including property addresses, number of units, description of project financing, and a description of applicable affordability covenants. This should contain a concise list of at least three projects meeting the requirements noted above. If separate pages are needed, they should be no more than two pages per project.

**Note:** Applicant must complete a DHCD Form 203 to support the Narrative.

<b>Address</b>	<b>Number of Units</b>	<b>Project Financing</b>	<b>Affordability Covenant Description</b>

3. Explain Applicant’s financial capacity to carry out the acquisition, development, maintenance, and operations of a housing accommodation.

- a. Provide an overview of the financial position of the Applicant and any guarantor.

	<b>Applicant</b>	<b>Guarantor</b>
<b>Annual Operating Budget</b>		
<b>Operations Surplus (deficit)</b>		
<b>Total Assets</b>		
<b>Net Assets</b>		

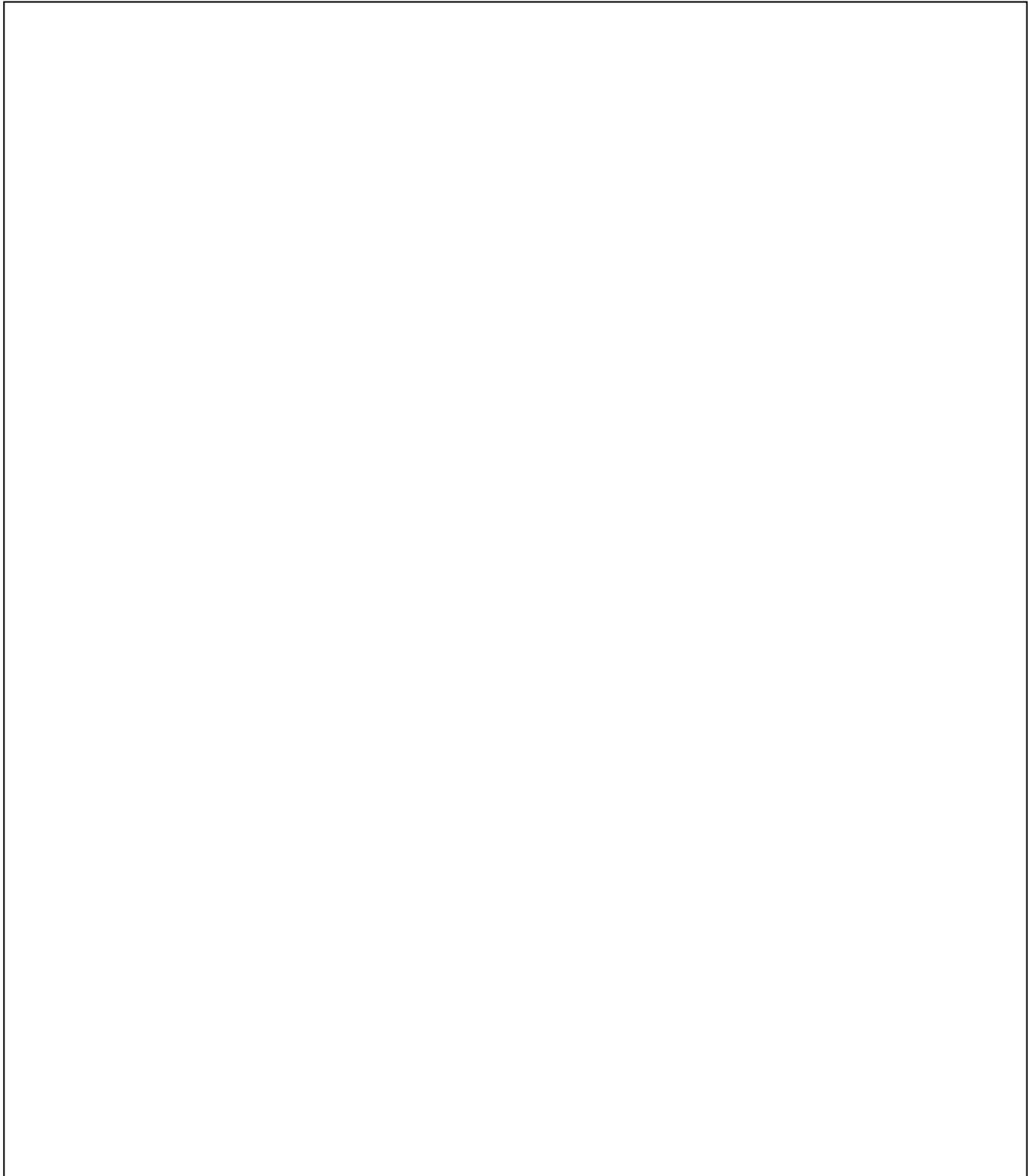
b. Provide a list of lenders and equity sources used in prior projects.

Project Name	Funder	Amount

c. Use this narrative section to highlight organizational financial strengths as demonstrated in the financials and to address any issues (including liquidity, negative cash flow, or contingent liabilities) that might arise in review of the financials.

4. Describe the Applicant's typical marketing program for housing accommodations.

**Note:** Applicant must provide sample marketing materials to support the Narrative.

A large, empty rectangular box with a thin black border, intended for the applicant to provide sample marketing materials. The box is currently blank.

5. Describe Applicant’s property management experience and plans, including whether the Applicant manages property directly or through a relationship with another entity, and if the latter, describe existing and potential relationships, including with what entity, how long and how many projects.

**Note:** Applicant must complete a DHCD Form 209 to support the Narrative.

Property Management Experience and Plans	Check Below if Managed Directly	Managed Through Another Entity (if Applicable)		
		Name of Entity	How Long	How Many Projects

6. Explain Applicant's proposed approach to executing program goals/DOPA affordability requirements.

a. What building size would the Applicant be interested in bidding on through DOPA? (Mark all that apply):  5-20 units  21-50 units  50 or more units

b. Describe Applicant's proposed plan for acquisition of properties under DOPA, including anticipated timeframe for closing, any anticipated due diligence and contingencies and availability/access to financing.

**Note:** Applicant must provide at least three years of audited financial statements of project operations, or if audited statements are not available, then three years of un-audited year-end financial statements AND three corresponding years of certified federal income tax returns must be submitted.



# CERTIFICATIONS

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1. Has the Applicant, or any partner, owner, manager or principal of the Applicant, ever been in financial default as either a borrower or guarantor?  Yes  No

If Yes, explain in complete detail all circumstances.

2.  By checking this box, Applicant hereby certifies that for the previous 10-year period, each principal in the Applicant entity has substantially complied with all applicable federal and local laws in the maintenance and operation of all multifamily buildings in which it has an ownership or management interest.
3.  By checking this box, Applicant hereby certifies that all Applicant team members certify that they are not debarred from participation in any federal program nor have any unresolved default or noncompliance issues with the District of Columbia.
4.  By checking this box, Applicant hereby certifies that the Applicant obligates itself and its successors and assigns in earnest to maintain affordability of the housing accommodation in accordance with §433 of DOPA.
5. If the Applicant is a non-profit organization, provide:

**Note:** Applicant must provide its 501(c)(3) certificate and three years of IRS Forms 990 to support the Narrative.

- a. The date organization was incorporated and date of 501(c)(3) status.
- b. Who started the group and why?
- c. What is the mission of the organization?
- d. What are the primary programs of the organization, and what supportive services does it provide (if applicable)?
- e. Outline the overall composition of the board, and specific areas of expertise of board members which might be helpful to the organization during development of the proposed project.

6. If the Applicant is a Small Business Enterprise/Certified Business Enterprise registered with the DC Department of Small and Local Business Development (DSLBD), provide the Certification Number, Expiration Date, Certification Categories, and Primary Business Services.

**Note:** Applicant must provide SBE/CBE Documentation to support the Narrative.

I certify that the information provided in this form is complete and true to the best of my knowledge and I acknowledge that the making of a false statement is punishable by criminal penalties under Title 22 of the District of Columbia Official Code. I further acknowledge that DHCD may rely on this information as true and complete.

Applicant \_\_\_\_\_  
[Insert entity name]

By: \_\_\_\_\_  
Printed Name

Date: \_\_\_\_\_

# RFQ CHECKLIST

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- Cover Letter**
- Narrative Proposal (Attachment A)**
  - Demonstrated commitment to affordable housing
  - Demonstrated capacity and successful experience with multi-unit affordable rental housing projects in the last five years
  - Comprehensive list of prior affordable and market-rate housing developments
  - Qualifications and capacity of personnel and contractors
  - List of lenders and equity sources used in prior projects
  - Capacity to carry out the acquisition, development, maintenance, and operations of a housing accommodation and proposed plan to access financing
  - Description of typical marketing program
  - Description of property asset management experience and program
  - Description of typical property management plan
  - Proposed approach to executing program goals/DOPA affordability requirements and the building size the applicant would be interested in bidding on
- Certifications**
- Applicant Qualifications Forms**
  - DHCD Form 203
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  - Resumes of all applicant's principals
  - Contract Affidavit
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  - Certificate of Good Standing and registered to do business in the District
  - Monitoring Certification Form (Form provided by DHCD)
  - Articles of Incorporation
  - Organizational Chart
  - 501(c)(3) Certificate (if applicable)
  - IRS Form 990 (3 years) (if applicable)
  - SBE/CBE Documentation
  - Sample Marketing Materials
- Applicant Financial Statements**
  - Balance Sheets and Income Statements for three fiscal years prior to application
- Additional Relevant Information**