



**District of Columbia
Department of Housing
and Community
Development**



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REQUEST FOR PROPOSALS

Housing Production Trust Fund
Program (HPTF)

HOME Investment Partnerships
Program (HOME)

Community Development Block
Grant Program (CDBG)

Department of Mental Health
(DMH) Grant Funds

Low Income Housing Tax Credits
(LIHTC)

Issue Date: March 30, 2012

Closing Date: May 30, 2012



*The District of Columbia Department of Housing and
Community Development pledges to foster the letter and
spirit of the law for achieving equal housing opportunity in
the District of Columbia.*

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 - HOME Investment Partnerships Program (HOME)
 - Community Development Block Grant Program (CDBG)
 - Department of Mental Health Grant Funds (DMH)
 - Low Income Housing Tax Credits Program (LIHTC)
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Synopsis

The following synopsis is provided to give applicants quick access to essential information:

- Availability of funds from HPTF, HOME, CDBG, 9% Low Income Tax Credits (LIHTC), and Department of Mental Health (DMH).
- Soliciting applications for acquisition, new construction and rehabilitation projects for affordable housing.
- Soliciting applications for public facilities proposed for use of CDBG funds.
- Properties must be located in the District of Columbia and serve low to moderate-income individuals or families, as defined in the RFP.
- DHCD uses its funds to provide gap financing in projects that provide affordable housing.

Schedule:

Request for Proposals (RFP) Released:

March 30, 2012. RFP is available on CD at DHCD, 1st Floor Security Desk, 1800 Martin Luther King, Jr. Avenue, SE, Washington, DC 20020. RFP is also available on DHCD's website on or about March 30, 2012 (www.dhcd.dc.gov).

Proposals Due:

- **On or before 4 p.m. Daylight Savings Time, Wednesday, May 30, 2012. NO APPLICATIONS WILL BE ACCEPTED AFTER THE FILING DEADLINE. Incomplete applications or applications that fail to meet Eligibility Requirements outlined in Section V of this RFP will be disqualified without further review.**

Projected Announcement of Proposals to Advance to Underwriting: August 2012

Applicants are advised that the Authorized Agency Contact Person for all matters concerning this Request for Proposals is:

Name: Reginald Izlar

Mailing Address: 1800 Martin Luther King Jr. Avenue, SE, Washington, DC 20020

Telephone: 202.442.7281 (RFP Question Hotline)

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Information and Updates on this RFP:

202.442.7281 (RFP Questions Hotline)

Website: www.dhcd.dc.gov

I. Introduction

The District of Columbia Department of Housing and Community Development (DHCD or “Department”) requests proposals for the development of affordable housing in response to the March 30, 2012 published Notice of Funding Availability (NOFA). Funds are available, subject to local and federal appropriations. Department of Mental Health (DMH) funds are also available, and are designated for financing the acquisition, construction or rehabilitation of long-term permanent supportive housing units in the District of Columbia for the exclusive use of DMH consumers¹.

Through this Request for Proposals (RFP), DHCD is soliciting applications for funding for projects that will help the Department fulfill its goals to:

- Increase the supply of decent, affordable rental and ownership low-income housing through assistance for preservation, rehabilitation, new construction and acquisition;
- Create permanent housing opportunities, with supportive services, for individuals and families who are homeless or at risk of becoming homeless;
- Provide housing for elderly persons;
- Provide housing for persons with special needs;
- Preserve existing subsidized housing where federal housing subsidies are set to expire;
- Help tenants who have buildings in foreclosure to purchase and develop their buildings into limited equity cooperatives with affordable units;
- Stabilize neighborhoods by providing homeownership opportunities for low- and moderate-income households; and
- Achieve economic integration of subsidized housing by providing mixed-income housing, or by locating affordable housing in neighborhoods that are not poverty impacted, or that are undergoing rapid gentrification.
- Provide needed public facilities serving low-income residents and low-income areas of DC.

Proposals for funding may be submitted to DHCD for one or more specific funding sources; however, DHCD reserves the right to specify another funding source in order to maximize the public benefit derived.

In order to submit an acceptable, fully competitive proposal and maximize the scoring potential of the application, all application filing requirements must be closely followed and all information requested in the application must be responded to completely. Applications must be received at DHCD on or before 4:00 pm Daylight Savings Time, Wednesday, May 30, 2012. Applications must be delivered to DHCD, 1st floor security desk, 1800 Martin Luther King Jr., Ave., SE, Washington, DC 20020. A time/date clock stamp will be used and receipts will be issued at the time of submission.

Completed applications must be submitted on a formatted CD with all of its contents/documents

¹ See “Definitions of Key Terms in this RFP” in the Introduction, and “DMH Grant Funds” in Section III of this RFP for further information.

remaining in the original format as released by DHCD. In addition, DHCD requests **one** hard copy labeled binder of the information in the CD.

No applications will be accepted after the filing deadline.

Potential Respondents are advised to review all documents which make up this RFP, including:

1. Request for Proposals (RFP);
2. RFP Reference Guidebook;
3. Financing Application Submission Package (Instructions, Application Forms); and
4. Exhibits.

Definitions of Key Terms in this RFP

For the purpose of this RFP and any projects funded pursuant to this RFP, the following definitions will apply:

“Homeless” - Refers to the *Homeless No More* definition which is derived from the HUD definition: (1) an individual who lacks a fixed, regular, and adequate nighttime residence; and (2) an individual who has a primary nighttime residence that is (A) a supervised publicly or privately operated shelter designed to provide temporary living accommodations (including welfare hotels, congregate shelters, and transitional housing for the mentally ill); (B) an institution that provides a temporary residence for individuals intended to be institutionalized; or (C) a public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings.

“Chronically Homeless” means continuously homeless for a year or more, or having had at least four (4) episodes of homelessness in the last three (3) years.

“DMH Consumers” means adults, children or youth who are eligible to receive mental health services or supports funded or regulated by the Department of Mental Health.

“Long-term” in the context of DMH funded units, means that the supportive housing developed pursuant to this initiative will be reserved through use restriction covenants for the exclusive use of DMH Consumers.

“Supportive Housing” means housing provided in connection with voluntary services designed to help tenants maintain housing, including, but not limited to, coordination/case management, physical and mental health, substance abuse management and recovery support, job training, literacy, and education, youth and children’s programs, and money management.

“Permanent Supportive Housing” - Refers to the *Homeless No More* definition which is derived from the HUD NSP definition: Long-term, community-based housing that has supportive services for homeless persons with disabilities. This type of supportive housing enables special needs populations to live as independently as possible in a permanent setting. The supportive services may be provided by the organization managing the housing or coordinated by the applicant and provided by other public or private service agencies. Permanent housing can be

provided in one structure or several structures at one site or in multiple structures at scattered sites.

“Disability” means a physical, mental, or emotional impairment which is expected to be of long-continued and indefinite duration; that substantially impedes the ability to live independently; and is of such a nature that such ability could be improved by more suitable housing conditions (primarily persons who are seriously mentally ill; have chronic problems with alcohol, drugs, or both; or have AIDS and related diseases).

“Special Needs” - Refers to an umbrella group of families and individuals (that may or may not be homeless) that have conditions or needs that require the provision of supportive services. These conditions include mental health problems, drug/substance abuse problems, mobility impairment issues, HIV/AIDS and other chronic disease problems, and homelessness.

“SRO” - Refers to the *Homeless No More* definition which is derived from the HUD definition: a residential property that includes multiple single room dwelling units. Each unit is for occupancy by a single individual. The unit need not, but may, contain food preparation or sanitary facilities or both.

“Supportive Services” - Voluntary services designed to help tenants maintain housing, including, but not limited to coordination/case management, physical and mental health, substance use management and recovery support, job training, literacy, and education, youth and children’s programs, and money management.

“Funding Sources” – The sources of funds made available for rehabilitation and construction of affordable housing and public facilities under the mentioned federal and local programs.

II. Available Programs and Funding Sources

Applicants may submit proposals **only** for the DHCD financing sources outlined in this RFP.

Funding sources available through this RFP include:

- The District’s Housing Production Trust Fund (HPTF);
- Community Development Block Grant (CDBG);
- HOME Investment Partnerships (HOME);
- The District’s Department of Mental Health (DMH), dedicated for financing the acquisition, construction or rehabilitation of long-term permanent supportive housing units in the District of Columbia for the exclusive use of DMH consumers; and
- 9% Low Income Housing Tax Credits (LIHTC) - credit authority as allocated.

III. General Program Requirements

Each funding source operates under separate federal or local regulations. All regulations include restrictions on the incomes of families served, and maximum allowable rents, but such restrictions vary among the funding sources. Further, definitions for income categories, such as

low-income or moderate-income, vary between funding sources. A brief summary of income restrictions, rent limits and definitions related to income for each funding source is outlined below. Applicants' projects must meet the specific income limits in effect at the time of funding, and must subsequently adjust income and rent limits to maintain ongoing compliance with program regulations as new limits are published.

Applications for funding of public facilities are subject to all requirements of this RFP and the referenced Application Submission Package, except for requirements specific to residential projects and other variations noted in these documents.

A. HPTF

Background: HPTF funds are District funds regulated by local rulemaking. Detailed information on HPTF is included in the *RFP Reference Guidebook*, included as part of this RFP.

Income Limits: As noted in Table 1, the HPTF income eligibility limits, unlike the CDBG and HOME Program, income eligibility limits are calculated against a true percentage of the four-person Area Median Income (AMI) published by the U.S. Department of Housing and Urban Development (HUD), without the adjustments that HUD makes for federal funds. AMI for Washington, DC for FY 2012 is \$107,500. For example, 80% of median income is calculated as a true 80 percent of the FY 2012 AMI of \$107,500, 50% of median income is calculated as a true 50 percent of \$107,500, and so on, as outlined on Table 1, below. DHCD further adjusts the income limits for household size by increasing or decreasing the four-person household income limit by 10 percent for each additional (or fewer) person in the household.

Income-Related Definitions: For HPTF, the following definitions apply:

Extremely Low-Income refers to households earning 0 – 30% of AMI

Very Low-Income refers to households earning 31 – 50% of AMI

Low-Income refers to households earning 51 - 80% of AMI

Table 1
HPTF Income Limits (2012)
Effective: December 1, 2011

INCOME BAND	Household Size							
	1 person	2 person	3 person	4 person	5 person	6 person	7 person	8 person
0 - 30%	22,575	25,800	29,025	32,250	35,475	38,700	41,925	45,150
31 - 50%	37,625	43,000	48,375	53,750	59,125	64,500	69,875	75,250
51 - 80%	60,200	68,800	77,400	86,000	94,600	103,200	111,800	120,400

Maximum Allowable Rents: HPTF rent limits for 2012 are outlined in Table 2 below.

**Table 2
HPTF Rent Limits (2012)
Effective: December 1, 2011**

	0 - 30%	31 - 50%	51 - 80%
Efficiency	564	941	1,505
1 Bedroom	645	1,075	1,720
2 Bedroom	726	1,209	1,935
3 Bedroom	806	1,344	2,150
4 Bedroom	887	1,478	2,365
5 Bedroom	968	1,613	2,580

Disbursement of Funds: The Housing Act of 2002 requires that of HPTF funds disbursed in a given fiscal year:

- At least 40 percent benefit extremely low-income households (0-30 percent of AMI);
- At least 40 percent benefit very low-income households (31-50 percent of AMI); and
- The remainder, or 20 percent, may benefit low-income households (51-80 percent of AMI).

B. CDBG

Background: CDBG are federal funds provided and regulated by HUD. Detailed information on CDBG can be found on the internet: At www.hud.gov, go to “Resources/Handbooks-forms/HUD handbooks, etc./HUDCLIPS/Shortcuts/Code of Federal Regulations; CDBG is Title 24, Part 570; HOME is Title 24, Part 92. Alternatively, call the Superintendent of Documents Office, Government Printing Office, 202-512-1800 to requests regulations in hard copy.

Low-Income Benefit (applies to public facilities): A public facility using CDBG funding must benefit a low-income community (an area in which at least 51 percent of the residents are low-income, and the activity will benefit them primarily), or a limited clientele (e.g., homeless persons) that are primarily low-income.

Income Limits: For residential projects, CDBG funds are restricted to individuals and households with incomes of up to 80 percent of AMI. Tables 3 and 4 below show the current 80% of AMI income levels. Note that HUD approval is pending for DHCD to use the “uncapped” 80% of AMI income levels in Table 4.

While the baseline AMI figure, \$107,500, is the same for Federal and local funds, HUD applies adjustments to this figure not utilized by HPTF. As a result, the income limits for CDBG-funded

activities as published by HUD are slightly different than for HPTF, as outlined in Table 3, below.

The 30% AMI and 50% AMI income limits indicate lower income bands that the District of Columbia chooses to serve. All CDBG income limits are adjusted annually. DHCD-funded projects are required to comply at all times with the current, adjusted income limits.

**Table 3
2012 CDBG Income Limits (Effective 12/1/11)**

Maximum Homebuyer/ Tenant Income	Household Size							
	1 person	2 person	3 person	4 person	5 person	6 person	7 person	8 person
Extremely Low Income (30% of AMI)	22,600	25,800	29,050	32,250	34,850	37,350	40,000	42,600
Very Low Income (50% of AMI)	37,650	43,000	48,400	53,750	58,050	63,350	66,650	70,950
Low Income (80% of AMI)	49,200	56,200	63,250	70,250	75,900	81,500	87,150	92,750

Note: The CDBG “low income” limits are provided for informational purposes. Typically, HUD allows DHCD to use the “uncapped low income” limits below.

Uncapped Low Income Limit: 2012 Uncapped Limits have not been released. DHCD generally uses the definitions of “low” and “moderate” as defined in CDBG regulations, which correspond to the “very low” and “low” in the HOME and Section 8 Regulations. However, since 1999 HUD has exempted DHCD from these “low-income” figures, and has allowed the use of “uncapped limits” i.e. 80% of the actual median DC income. DHCD may use the exemption, as necessary, in its CDBG and HOME programs, as outlined in Table 4 below.

**Table 4
Washington DC Uncapped CDBG and HOME 80% Income Limits
(Effective 6/14/11)**

Household Size							
1 person	2 person	3 person	4 person	5 person	6 person	7 person	8 person
59,450	67,950	76,450	84,900	91,700	98,500	105,300	112,100

Income-Related Definitions:

For CDBG (as administered by DHCD) the following definitions apply (with slightly different dollar amounts than for HPTF):

Extremely Low-Income refers to households earning 0 – 30% of AMI

Very Low-Income refers to households earning 31 – 50% of AMI

Low-Income refers to households earning 51 - 80% of AMI

Maximum Allowable Rents: HUD does not impose rent limits for CDBG funds. However, rent levels must be affordable to targeted households such that their monthly cost, including utilities, does not exceed thirty percent of household monthly income. Projects that follow the HOME income limits will comply with CDBG affordability requirements as well.

Disbursement of Funds: CDBG funds can be disbursed only to housing projects committed to serving homebuyers, renters or special needs clientele with incomes at or below 80% of AMI. However, DHDC's scoring criteria encourages developers to target very-low and extremely-low-income residents in some instances. As a condition of CDBG funding, regulatory agreements will require and specify income targeting for all individual CDBG-funded projects.

C. HOME Investment Partnerships Program

Background: Through the U.S. Department of Housing and Urban Development (HUD), HOME is the largest Federal block grant to State and local governments designed exclusively to create affordable housing for low-and moderate- income households. HOME provides formula grants to States and localities that communities use in partnership with local nonprofit groups to fund a wide range of activities that build, buy, and/or rehabilitate affordable housing for rent or homeownership. The program was designed to reinforce several important values and principles of community development:

- HOME's flexibility empowers people and communities to design and implement strategies tailored to their own needs and priorities.
- HOME's emphasis on consolidated planning expands and strengthens partnerships among all levels of government and the private sector in the development of affordable housing.
- HOME's technical assistance activities and set-aside for qualified community-based nonprofit housing groups builds the capacity of these partners.

Income Limits: The eligibility of households for HOME assistance varies with the nature of the funded activity. For rental housing and rental assistance, at least 90 percent of benefiting families must have incomes that are no more than 60 percent of the HUD-adjusted median family income for the area. (92.216). DHCD only funds rental projects with five or more assisted units, and when HOME funds are used, at least 20% of the units must be occupied by very low-income families with incomes that do not exceed 50% of the HUD-adjusted median income for the area. (92.252(b)). The incomes of households receiving HUD homeownership assistance must not exceed 80 percent of the area median. HOME income limits are published each year by HUD (92.217). As of the effective dates noted, and until further notice, project sponsors currently receiving HOME funds should use the following limits as they set their fiscal year 2012 occupancy and rent guidelines. The Washington, DC area median income as determined by HUD for fiscal year 2012 is to equal \$107,500.

Table 5
2012 HOME Income (Effective 2/9/12)

Maximum Homebuyer/ Tenant Income	Household Size							
	1 person	2 person	3 person	4 person	5 person	6 person	7 person	8 person
Extremely Low Income (30% AMI)	22,600	25,800	29,050	32,250	34,850	37,350	40,000	42,600
Very Low Income (50% AMI)	37,650	43,000	48,400	53,750	58,050	62,350	66,650	70,950
60% AMI	45,180	51,600	58,080	64,500	69,660	74,820	79,980	85,140
Low Income (80% AMI)	49,200	56,200	63,250	70,900	75,900	81,500	87,150	92,750

For the HUD-approved 2011 uncapped low-income (80% AMI) income limits, see Table 4.

Income-Related Definitions:

For HOME as administered by DHCD) the following definitions apply (with slightly different dollar amounts than for HPTF):

Extremely Low-Income refers to households earning 0 – 30% of AMI

Very Low-Income refers to households earning 31 – 50% of AMI

Low-Income refers to households earning 51 - 80% of AMI

Maximum Allowable Rents: Maximum HOME rents are provided in Table 6 below.

Rent levels must be affordable to targeted households such that their monthly cost, including utilities, does not exceed thirty percent of household monthly income.

Table 6
2012 HOME Rent Program Limits (Effective 2/9/12)

Maximum HOME Rents	Units						
	Efficiency	1 BR	2 BR	3 BR	4 BR	5 BR	6 BR
Low HOME Rent Limit	941	1,008	1,210	1,397	1,558	1,720	1,881
High HOME Rent Limit	1,118	1,199	1,441	1,656	1,828	1,998	2,169

See the HOME regulations at [24 CFR Part 92](#) for the complete set of eligibility requirements.

DHCD must ensure that HOME-funded housing units remain affordable in the long term. This affordability period is enforced through a restrictive covenant deed on the property. The affordability period is based on the type of project and the total amount of HOME assistance. (92.252 and 254)

Home Investment Per Unit	Affordability Period
• Less than \$15,000	5 years
• \$15,000-\$40,000	10 years
• More than \$40,000	15 years
• New Construction of rental housing	20 years

Projects must contain five (5) or more units to be eligible for funding. All housing assisted under this RFP must meet the residential federal and local housing codes and the appropriate income guidelines for beneficiaries.

Disbursement of Funds: HOME funds can be disbursed only to housing projects that meet the following income requirements:

For-sale housing – HOME regulations require that buyers have incomes at or below 80% of AMI.

Rental housing – HOME regulations require that 90% of HOME funds benefit households earning at or below 60% of AMI; the remaining 10% of funds may be used to benefit households earning at or below 80% of AMI. Further, for any individual project with five or more units, at least 20% of those units must be occupied by families at or below 50% AMI.

HUD requirements – Each project sponsor/owner must execute the DHCD HOME Written Agreement that shall accurately describe the terms and conditions of the HOME funding for the project. See 24 CFR Part 92.

DHCD local requirements – Notwithstanding the basic HOME requirements, DHCD’s scoring criteria encourage developers to target some very-low households in addition to low-income households, and in rental projects extremely low-income households in some instances. As a condition of HOME funding, regulatory agreements will require and specify income targeting for all individual HOME-funded projects.

D. DMH Grant Funds

The Department of Mental Health (DMH) in collaboration with the Department of Housing and Community Development (DHCD) will fund proposals to finance the acquisition, construction or rehabilitation of long-term permanent supportive housing units for the exclusive use of DMH consumers. DMH supports projects that provide housing for extremely low (less than 30% of area median income) and very low (between 31% and 50% of area median income) income individuals and families. The table below shows the income limits for DMH funds.

2011 Income Limits for Department of Mental Health Funds								
Family Size	1	2	3	4	5	6	7	8
30% AMI	\$22,300	\$25,500	\$28,700	\$31,850	\$34,400	\$36,950	\$39,500	\$42,050

Allowable costs associated with such acquisition, construction or rehabilitation of housing may include, but are not limited to: pre-development costs, including, but not limited to, third party reports, earnest money deposits, option fees, architectural drawing or renderings, appraisals and physical inspections; closing and settlement costs including attorney fees; equity contributions on behalf of the developer/sponsor, on its own behalf or on behalf of DMH; capital improvements; and costs to obtain matching funds for grants that provide housing and housing supports for DMH consumers.

DMH shall hold a restrictive use covenant for no less than a five (5) year period on all properties developed that receive less than one hundred thousand dollars (\$100,000.00) of Funds. DMH shall hold a restrictive use covenant for no less than a twenty five (25) year period on all properties developed under this MOU that receive more than one hundred thousand dollars (\$100,000.00) of funds. DMH retains the right to refer eligible DMH consumers to fill vacancies in the use-restricted housing.

Units proposed for development should be permanent housing of the following types: single-family housing, condominium or cooperative units, multifamily building (housing for DMH Consumers with no more than seventeen (17) units), mixed-use building serving low and moderate-income populations, single room occupancy units (“SROs”) or buildings, or transitional housing if approved by DMH in writing. Projects that integrate DMH consumers with the general public are desired. No more than thirty percent (30%) of the units at any one property may be set aside for DMH consumers.

Projects that maximize the use of the funds by reducing the cost of housing development by entering into agreements with for-profit and non-profit organizations, government agencies and other entities, as necessary, to leverage funds are desired. Recommendations for funding shall be based on the project’s size, bedroom space, common areas, condition of property, neighborhood amenities/services, safety from fire, security, access to public transportation, absence of drug activities and suitability of the location for promoting community integration. Funds granted to prospective developers for Licensed Community Residential Facilities (CRF) projects are not required to leverage funds, and are not limited to thirty percent (30%) of the units as set-aside for DMH consumers.

E. Federal Low-Income Housing Tax Credits (LIHTC): Section 42 of the IRS Code of 1986: www.irs.gov

Background: The Tax Reform Act of 1986 established the Federal Low Income Housing Tax Credit (“LIHTC”) Program. The LIHTC Program was subsequently made permanent by the Revenue Reconciliation Act of 1993 as further amended by The Community Renewal Tax Relief Act of 2000. The LIHTC Program was created to encourage the private sector to invest in the construction and rehabilitation of housing for low and moderate-income individuals and families.

Project owner/investors can claim the LIHTC on their Federal income tax return each year for a period of ten years. However, Projects generally must meet certain requirements for low-income use for thirty years.

Federal law requires The District of Columbia (“District”) to adopt a plan to allocate the LIHTC to Projects based on federally mandated requirements and priority needs determined by the District. The District’s Low Income Housing Tax Credit Qualified Allocation Plan (“QAP”) is intended to ensure the selection of only those Projects that comply with Federal law and address, on a priority basis, the housing needs of the District. All projects that are requesting LIHTCs funds will be scored independently as outlined in the QAP. If a project is requesting LIHTCs and another DHCD funding source, it must meet the requirements for both funding sources and it will be scored for both requests. See the District of Columbia 2012 Low Income Housing Tax Credit Program QAP as an attachment to this RFP.

Mandatory Application Items:

- DHCD Form 202 (application form)
- Application Checklist with appropriate attachments
- Application Fee (For-profit: \$750; nonprofit: \$500)
- Exhibit GB-2 - The Green Communities Criteria 2011 Intended Methods Checklist
- Exhibit GB-3 - 2011 Enterprise Green Communities Integrated Design Charrette Documentation

F. Project Types, Priorities and Uses of Funds: Available funding sources may be used for a variety of projects. The most common eligible project types include:

- Permanent supportive housing for the chronically homeless
- Preservation of expiring, federally subsidized, affordable rental housing
- Special needs housing
- Elderly housing
- New construction of affordable rental or for-sale housing
- Substantial rehabilitation of affordable rental or for-sale housing
- Mixed income housing, that may include permanent supportive housing units

Residential projects must contain five (5) or more units to be eligible for funding. All housing assisted under this RFP must meet the federal and local housing codes and the appropriate income guidelines for beneficiaries.

Priorities: Although the above projects are eligible, DHCD will give priority to certain types of projects.

The Department of Housing and Community Development of the District of Columbia is seeking to partner with private owners, including for-and non-profit entities, to protect and increase the supply of affordable housing in the District of Columbia, particularly:

- in properties requiring rehabilitation as a result of significant code violations;

- in neighborhoods where affordable housing is not readily available;
- where subsidies are needed to reduce displacement as a result of gentrification;
- for low-income disabled and/or elderly households requiring supported living environments;
- for special needs populations, such as persons and families moving from shelters to permanent housing with supportive services;
- for low- to moderate-income households seeking to purchase homes; and/or,
- for units in poverty impacted neighborhoods undergoing substantial rehabilitation as part of a comprehensive neighborhood revitalization strategy.

DHCD Affordable Housing Themes

These themes are closely calibrated to the six Livability Principles recently released by the federal Partnerships for Sustainable Communities (HUD, DOT & EPA), and DHCD strives to finance affordable housing to support the six principles, as follows:

- Provide more transportation choices
- Promote equitable, affordable housing
- Enhance economic competitiveness
- Support existing communities
- Coordinate policies and leverage investment
- Value communities and neighborhoods

DHCD Affordable Housing Commitments

- Utilize the expertise of the private and non-profit sector to protect and increase affordable housing;
- Leverage private funds to develop affordable housing;
- Ensure long term availability of affordable housing;
- Encourage mixed-income development; and
- Support the Administration's housing initiatives.

The Department of Housing and Community Development of the District of Columbia is seeking to partner with private owners, including for-and non-profit entities, to protect and increase the supply of affordable housing in the District of Columbia, particularly:

- in properties requiring rehabilitation as a result of significant code violations;
- in neighborhoods where affordable housing is not readily available;
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- for special needs populations, such as persons and families moving from shelters to permanent housing with supportive services;
- for low- to moderate-income households seeking to purchase homes; and/or
- for units in poverty impacted neighborhoods undergoing substantial rehabilitation as part of a comprehensive neighborhood revitalization strategy.

Redevelopment Guidelines

DHCD desires to preserve and enhance whenever possible quality housing for low- and very low-income households and to make redevelopment planning decisions in an open, fair and rational manner. The guidelines set forth below will govern the discussions and negotiations with private sector parties and when seeking other governmental or private funding sources in connection with developments funded through DHCD resources.

- 1) DHCD will give greater consideration to new construction or rehabilitation of vacant existing properties that result in mixed-income housing. Generally, the units serving extremely low income households shall comprise no more than 30% of the new development. This mixed income requirement does not necessarily apply to senior developments and small scale developments serving chronically homeless persons.
- 2) Affordable units shall be built out simultaneously with market rate units and in place no later than the market rate housing.

Eligible Costs: Financing may be used for virtually any development finance purpose including, but not limited to:

- Acquisition
- Construction financing
- Interim financing
- Permanent financing
- Eligible predevelopment costs
- Eligible hard and soft costs

Financing may not be used for:

- Project-based rental assistance to tenants
- Tenant-based rental assistance to tenants
- Down payment assistance
- Security or utility deposits
- Social services
- Capacity building
- Tax liabilities nor any other District or federal obligations
- Operating and maintenance expenses

G. Types of Investment:

DHCD may provide investment in projects in the forms of loans and, on a limited basis, as grants. DHCD will have the sole discretion to determine the type of investment it will make in a project.

H. Monitoring Requirements:

In accordance with Federal and District regulations, DHCD is required to monitor the use of the funds distributed under this RFP. Applicants receiving financial assistance from DHCD for projects could be subject to any and/or all of the following requirements outlined in Table 7 below.

Table 7

Monitoring Elements, Guidelines and/or Requirements	
<ul style="list-style-type: none"> • Community Development Block Grant (CDBG), including all applicable Office of Management and Budget (OMB) Circulars, such as A-110, A-122 and A-133) - 24 CFR Part 570 • HOME Investment Partnerships Program (including long-term affordability requirements) – 24 CFR Part 92 • Environmental Reviews - 24 CFR Pt 85 • Certified Business Enterprise Agreement • Age Discrimination Act of 1975 – 24 CFR Part 146 • Affirmative Action Plan – Mayor’s Order 85-85); • Non-procurement Debarment – 2 CFR Part 2424 • Anti-lobbying Restrictions – 24 CFR Part 87 • D.C. Notice on Non-Discrimination – D.C. Official Code §§ 2-1401.1 <i>et seq.</i> • Drug Free Workplace – 24 CFR Part 21 	<ul style="list-style-type: none"> • Section 3 - (24 CFR Part 135) • First Source Program. D.C. Official Code §§2-219.01 <i>et seq.</i> • Registration with DC Apprenticeship Council • Americans with Disabilities Act of 1990 – 42 USC 2181 <i>et seq.</i> • Lead Safe Housing Rule (Lead Based Paint) – 24 CFR Part 35 • Section 504 of Rehabilitation Act of 1973, as amended – 24 CFR Part 8 • Uniform Relocation Act – 42 USC Chapter 61: District of Columbia Relocation Assistance provisions (10 DCMR Chapter 22) • Freedom of Information Act – D.C. Official Code §2-531 <i>et seq.</i> • Davis Bacon and related Acts – 40 USC §§276a-276a-5 and 42-USC 5310: 42 USC 327 <i>et seq.</i> • Conflict of Interest (24 CFR § 570.611:24 CFR §§ 85.42 and 85.36) • 24 CFR §§ • Fair Housing (24 CFR Part 107: 24 CFR Part 100) • Hatch Act 5 USC Chapter 15 • LIHTC (§ 42 of IRS Code of 1986)

DHCD requires each applicant to sign a Monitoring Certification indicating the agreement to comply with the regulations, to be subject to DHCD monitoring for compliance and to accept any applicable penalties for noncompliance. The applicant is responsible for any and all costs associated with implementing and maintaining records to comply with and allow for DHCD monitoring. The Monitoring Certification Form is included in the application.

I. Targeted Geographic Areas:

Targeted Geographic Areas are designated by the Federal or District of Columbia government for the purpose of improving neighborhoods and providing economic stimulus. DHCD will accept proposals for eligible projects throughout the city, although the targeted geographic areas are as follows:

Neighborhood Corridors located in:

- Ward 1: Park Road/Mt. Pleasant Street/Upper Georgia Avenue
- Ward 4: Upper Georgia Avenue
- Ward 7: Deanwood & Ward-wide

- Ward 8: Ward-wide

New Communities Target Areas:

- Ward 1: Park Morton
- Ward 6: Northwest One
- Ward 7: Lincoln Heights/Richardson Dwellings
- Ward 8: Barry Farms

Neighborhoods within ½ **mile** of Metrorail stations & bus hubs/depots

Neighborhoods within ½ **mile** of the District's forthcoming Streetcar stops

A map describing the Targeted Geographic Areas is provided in the *RFP Reference Guidebook*.

IV. Eligible Applicants

To be eligible for funding consideration, proposals must:

1. Be submitted by a non-profit organization, or a non-profit or for profit developer;
2. Request funding for a property located in the District of Columbia and propose to serve individuals or families consistent with income restrictions outlined under Section III of this RFP;
3. Propose activities that meet the eligibility requirements of the funding source through which they receive financing (See the *RFP Reference Guidebook*); and,
4. Meet the Eligibility Requirements outlined in Section V, below.

V. Eligibility Requirements (Threshold Selection Criteria)

Applicants must submit documentation that fully demonstrates their compliance with the Eligibility Requirements outlined below. Applicants must document that they meet each and every one of these requirements. Failure to include such documentation and meet the eligibility requirements will result in elimination of the application from funding consideration without further review.

1. **Site control:** Applicants must have control of the site proposed for development. This may be in the form of a current deed, fee simple ownership, lease option (lease term must be equal or greater than the proposed financing term), or a contract of sale. At the time of application, site control should extend for at least 180 days after the extension date (including extension options) with an option to continue the control for another 180 days. Additionally, the applicant must demonstrate that the proposed development is matter of right, or that approval from the Board of Zoning Adjustment has been obtained for necessary changes.

2. **Basic regulatory eligibility:** The proposed project, if using federal funds, must meet the appropriate regulatory requirements for eligibility (e.g., meeting the low-moderate income housing national objective for the CDBG program and Eligible Activities for CDBG, HOME and HPTF). (For guidance and background information, see the *RFP Reference Guidebook*.)
3. **Applicant capacity to carry out the project:** The applicant must have the capacity to carry out the type of project (e.g. for-sale, housing, rental housing, special needs housing) at the scale proposed (e.g. numbers of housing units proposed) and within the timeframe proposed for the project. Based on an evaluation of the information provided with the application, DHCD at its sole discretion will determine if an applicant has the necessary capacity in the following areas:
 - a. Developer qualifications, based on information provided in Form 203.
 - b. Completeness and qualifications of the development team, based on information provided in Form 202 and 203, as well as Form 209 for rental and special needs projects.
 - c. Financial capacity, based on the applicant’s submission of audited financial statements.
 - d. Applicant’s corporate purposes contained in its Article of Incorporation/Bylaws shall be congruent with the purpose of the funding requested.
4. **Good standing:** At time of application, the applicant/developer must demonstrate good standing by providing a Certificate of Good Standing from the Department of Consumer and Regulatory Affairs (DCRA). Further, and without exception, the applicant and members of the development team may not:
 - a. be delinquent on city obligations, including, but not limited to, income taxes, real estate taxes and water and sewer charges; lease payments or defaulted grant(s) from DMPED, DHCD, the former Anacostia Waterfront Corporation (“AWC”), national Capital Revitalization Corporation (“NCRC”), the Office of Business and Economic Development (“OBED”) or other District-funded loan/grant obligations. (If it is determined during any stage of the review, underwriting or funding process, that the applicant or any business affiliate² has any outstanding indebtedness to DHCD or the District, the applicant shall be removed from further consideration in this funding round);
 - b. in the past five years, have been a party to chronic housing code violations, excessive tenant complaints, or substantial judgments;

² A business affiliate is an affiliate with direct management or financial interest.

- c. be barred by the U.S. Department of Housing and Urban Development (HUD), DHCD, District of Columbia Housing Authority (DCHA) or District of Columbia Housing Finance Agency (DCHFA), the State of Maryland or the State of Virginia; nor,
 - d. be suspended, voluntarily or involuntarily excluded from participation in any federal or District Programs.
5. **Creditworthiness:** Applicant has a satisfactory credit or Dun & Bradstreet report: No member of the development team acting in the role of sponsor, developer, guarantor, or owner has had chronic past due accounts, substantial liens or judgments, foreclosures or bankruptcies within the past five years; nor has defaulted on any obligation to the District of Columbia within the past ten years.
6. **Green Design and Building:** In accordance with The Green Building Act of 2008, the application must meet the following standards relative to green design and building, which apply to all projects of 10,000 square feet or more, for which public financing constitutes 15% or more of development costs:

Residential buildings

Residential buildings must be certified by Enterprise Community Partners using the Green Communities Criteria (GCC) 2011 standard. **Please note that GCC 2011 now requires a two-step certification process, similar to the third party certification process which governs LEED.**

- o Application documents the findings of the 2011 Enterprise Green Communities **Integrated Design Charrette** which has been conducted to consider the most cost effective ways to integrate required green design elements. (Exhibit GB-3)
- o Application includes “The Green Communities Criteria 2011 Intended Methods Checklist” (Exhibit GB-2) with appropriate **minimum** score:
 - New construction = All mandatory criteria and a **minimum** of 35 points on optional criteria
 - Substantial and Moderate Rehabilitation = All mandatory criteria and a **minimum** of 30 points on optional criteria
- o Application demonstrates inclusion of LEED® Accredited Professional (LEED® AP) or experienced green building design specialist as a member of the development team (Exhibit GB-3 and Exhibits K through N in the Application Submission Package Exhibits Checklist).

Non-residential buildings

Non-residential buildings must be certified by the US Green Building Council at the LEED Silver level. Consult with your teams’ design professionals and submit the

appropriate completed LEED checklist, demonstrating compliance with all prerequisites and sufficient points to achieve LEED Silver.

(For more information on green building and associated standards, see Section VI of the RFP Reference Guidebook.)

7. **Compliance with DHCD cost and funding limits:** The following funding guidelines and cost limits apply to all applications. The purpose of these requirements is to assure efficient use of DHCD funds and thus enable DHCD to serve more households with its finite amount of subsidy funds.
 - a. **Cost Limits:** Each application for DHCD funding must conform to the maximum construction/rehabilitation cost limits and maximum total development cost limits described in the Application Submission Package that is appended to this Request for Proposals, unless exceptions are justified by the application. The limits are as follows in Tables 8 and 9. See the Application Submission Package for more details regarding how these limits are calculated and applied by DHCD. Total development costs of proposed public facilities will be evaluated on a case-by-case basis.

Table 8: Maximum Construction Costs per Gross Square Foot			
Type of Building	New Construction	Substantial Rehabilitation	Moderate Rehabilitation
Townhouses	\$135	\$120	\$85
Garden Apartments/Condos	115	105	75
Elevator Buildings (≤5 floors) and public facilities	130	115	85
Mid-rise Buildings (8 or more floors)	160	140	100

Table 9: Maximum Total Development Costs Per Residential Unit			
	Studios/1BR	2 BR	3+BRs
Total Development Cost Limits	\$230,000	\$250,000	\$270,000

- b. **Funding Limits:** For residential projects, DHCD has established a guideline of funding not more than 40% of all project costs, with exceptions noted below.
 - i. For projects funded with equity through the Low Income Housing Tax Credit (LIHTC), the equity contributions of investors are not considered DHCD funding subject to the guideline limit of 40%. Furthermore, due to the fact that these equity contributions act, in fact, as substantial subsidies, LIHTC projects are expected to require less than 40% DHCD funding. Recent LIHTC projects have been awarded an average of approximately 20% DHCD funding.
 - ii. Rental and special needs projects without LIHTC equity contributions and/or serving predominantly very-low and extremely-low-income households may be

approved for a higher percentage of DHCD funding, if justified by the details of the application.

- iii. For-sale housing projects serving predominantly very-low-income households may be approved for a somewhat higher percentage of DHCD funding, if justified by the details of the application.
 - iv. Proposals to rehabilitate existing rental projects (without acquisition) may be considered for a higher percentage of funding if the details of the application indicate that the property cannot support substantial additional debt from conventional sources and the rehab will benefit very-low and/or extremely low-income households.
 - v. Applications for public facilities funding will be considered on a case by case basis.
8. **Cost-reasonableness of acquisition costs:** Proposed property acquisition costs must be reasonable and may not exceed the market value of the property as evidenced by an appraisal (not over 90 days old at the time of the application.) DHCD will determine reasonableness by the appraised value and comparison of recent DHCD-funded projects in similar locations and for uses similar to those proposed in the application. Note that DHCD reserves the right to request a 2nd appraisal, and that if federal funding is proposed, the acquisition cost (regardless of how it is funded) may not exceed the market value per a new or updated appraisal made within 120 days of closing on DHCD financing.
9. **Completeness of architectural plans and cost estimates.** Applications will be rejected if they do not include:
- a. Schematic architectural plans and materials specifications sufficient to create a detailed cost estimate.
 - b. A detailed estimate of costs based on “take-offs” from those plans and completed by a qualified professional such as an architect, engineer or professional construction cost estimator. “Rule of thumb” square foot costs or other non-detailed cost estimates are not acceptable.
10. **Reasonableness of Cost Estimates:** Cost estimates must be determined by DHCD staff to be reasonable. To determine reasonableness, DHCD staff will analyze the cost estimates and compare them with the costs of recent, similar projects funded by DHCD.
11. **Completeness of Application:** Application must comply with all requirements outlined under **Section IX** of this RFP. Incomplete applications will be eliminated from funding consideration without further review.

VI. Scoring Criteria

Applications deemed to meet the Eligibility Requirements referenced above will receive further consideration. Proposals will be scored based on the below listed criteria and then compared against all others received for the proposed development type (e.g. rental housing, homeownership, etc.). In general, it is DHCD's goal to provide funding to those projects which provide the greatest public benefit while maximizing the impact of public resources.

1. Meeting DHCD's Policy Objectives (maximum 20 points)

This score will be determined from the Applicant's response in **Exhibit A** of the Application Submission Package Exhibits Checklist.

Proposed projects will be scored according to how closely they meet the policy objectives outlined below:

10 points for either of the following policy objectives:

- Redevelop abandoned, foreclosed or vacant properties (as defined in this RFP) into rental and/or homeownership affordable housing;**
- Help tenants who have buildings in foreclosure (as defined in this RFP) to purchase and develop their buildings into limited equity cooperatives;**

An additional **10** points can be awarded for any of the following policy objectives:

- Increase the supply of decent, affordable rental and ownership low-income housing through assistance for preservation, rehabilitation and new construction;
- Create permanent housing opportunities, with supportive services, for individuals and families who are homeless or at risk of becoming homeless;
- Provide housing for elderly persons and/or persons with special needs;
- Preserve existing subsidized housing where federal subsidies are set to expire;
- Stabilize neighborhoods by providing homeownership opportunities for low- and moderate-income households; and
- Achieve economic integration of subsidized housing by providing mixed-income housing, or by locating affordable housing in neighborhoods that are not poverty impacted, or that are undergoing rapid gentrification.

2. Economic Development / Leverage (maximum 10 points)

This score will be determined from the Applicant's response in **Exhibit A** of the Application Submission Package Exhibits Checklist.

- to serve low-income households
- to provide the greatest level of affordability in an economically integrated environment for the longest period of time.

This will measure the extent to which DHCD funds are leveraged with other public and private resources. The leveraging formula will deduct the total DHCD investment from the total development cost and divide the remaining total development cost by the total DHCD investment. The greatest consideration will be given to those projects that achieve the highest leverage ratio (*Non-DHCD financing to DHCD financing*).

- 10 points = Leverage ratio of 5 : 1 or greater
- 8 points = Leverage ratio of 3-4.99 : 1
- 6 points = Leverage ratio of 2-2.99 : 1
- 4 points = Leverage ratio of 1-1.99 : 1
- 0 points = Leverage ratio less than 1 : 1

3. Section 3 Jobs Creation (maximum 10 points)

This score will be determined from the Applicant's past performance on Section 3 covered projects listed in **Exhibit Z-4** of the Application Submission Package Exhibits Checklist for the past three years. Points will be awarded for the hiring or contracting of Section 3 residents or business concerns **above** the minimum requirements established in 24 CFR Part 135. The contracting points will be awarded for the total amount of construction and non-construction contracts awarded on past Section 3 covered projects.

Hiring

- 5 points = 50% of new hires are Section 3 Residents
- 4 points = 45%-49% of new hires as Section 3 Residents
- 3 points = 40%-44% of new hires as Section 3 Residents
- 2 points = 35%-39% of new hires as Section 3 Residents
- 1 point = 30%-34% of new hires as Section 3 Residents

Contracting

- 5 points = 30% or more of total dollar amount awarded to Section 3 Businesses
- 4 points = 25%-29% or more of total dollar amount awarded to Section 3 Businesses
- 3 points = 20%-24% or more of total dollar amount awarded to Section 3 Businesses
- 2 points = 15%-19% or more of total dollar amount awarded to Section 3 Businesses
- 1 point = 10%-14% or more of total dollar amount awarded to Section 3 Businesses

4. Site and Design Characteristics (maximum 10 points)

Appropriateness of Site: Proposal must adequately address topography, soil, and grade issues, environmental hazards, zoning requirements, and other special site conditions.

- 5 points = Applicant has completed a **Phase 1** environmental site assessment analysis. The applicant has formulated a satisfactory plan to deal with any issues raised through those studies. The applicant has addressed zoning and historic preservation issues and has received approval from the Board of Zoning Adjustment for necessary changes.
- 3 points = Applicant has completed a **historical review** of property uses and provided a minimal assessment of site and environmental issues (the Environmental Assessment Exhibit of the application). Applicant has identified any issues and budgeted for associated costs. The applicant has identified zoning and historic preservation issues and has received approval from the Board of Zoning Adjustment for necessary changes.

- ❑ 0 points = Failure to document the minimum steps outlined for 3 points, above.

Appropriateness of Design: Proposed project design must blend with the neighborhood, be structurally sound and cost efficient, and meet the needs of the occupants with appropriate amenities.

- ❑ 5 points = Applicant has completed schematic designs. The proposal includes site plans, elevations, and floor layouts. For rehab projects, the proposal does not need site plans or elevations but does need existing layouts and proposed layouts. The design is consistent with neighborhood design characteristics. Amenities and units are appropriate for the tenant population. The project has a defined and realistic cost summary schedule. (Form 215)
- ❑ 3 points = Applicant describes project amenities and unit sizes both which are appropriate for the proposed development program and tenant/homeowner population. The project is consistent with neighborhood design characteristics. The project has a defined and realistic cost summary schedule. (Form 215)
- ❑ 0 points = Failure to document the minimum steps outlined for 3 points, above.

5. Financial and Economic Feasibility (maximum 10 points)

This score will be determined from the Applicant's response in **Exhibit W** of the Application Submission Package Exhibits Checklist.

- ❑ 10 points = There is a complete set of financial documents to support the financing request. The Development Finance Division Application (Form 202) contains a realistic set of sources and uses development budget and a pro forma operating budget. DHCD's subsidy must be included in the sources and uses. The uses are appropriate for the project and the requested financing source. **Letter(s) of commitment** from other participating financial sources is/are included.
- ❑ 5 points = There is a complete set of financial documents to support the financing request. The Development Finance Division Application (Form 202) contains a realistic set of sources and uses development budget and a pro forma operating budget. DHCD's subsidy must be included in the sources and uses. The uses are appropriate for the project and the requested financing source. **Letter(s) of interest** from other participating financial sources is/are included.
- ❑ 0 points = Failure to document the minimum steps outlined for 5 points, above

6. Capacity of the Development Team / Management (maximum 10 points)

This score will be determined from the Applicant's response in **Exhibits J through N** of the Application Submission Package Exhibits Checklist.

Development teams demonstrating a strong record of capacity will receive more points.

- ❑ 10 points = The developer/development team must demonstrate a successful track record in projects of similar size, scale and complexity to the proposed project. The development team includes the appropriate members: developer/applicant, architect, green design professional, development consultant, construction management and/or general contractor, accounting, financial, legal, syndication and property and/or asset management team. All members of the development team must be able to demonstrate and verify a successful performance history in projects of similar type and scale. The development team must also demonstrate the financial capacity to fulfill their respective responsibilities. No members of the development team may

have defaulted on any obligation to the District of Columbia within the past 10 years. If the proposed project includes supportive services, a qualified service provider must be a member of the development team.

- ❑ 5 points = The developer/developer team must demonstrate a successful track record in projects of similar size, scale and complexity to the proposed project. Most of the members of the development team are experienced and demonstrate successful performance history and financial capacity in projects of similar size, scale and complexity. No members of the development team may have defaulted on any obligation to the District of Columbia within the past 10 years. If the proposed project includes supportive services, a qualified service provider must be a member of the development team.
- ❑ 0 points = Failure to document minimum capacity of each member of the development team, including experience consistent with the scope of the proposed project.

7. Sustainability (maximum 10 points)

This score will be determined from the Applicant's response in **Project Narrative – Appendix – 1** of the Application Submission Package.

Sustainable communities are places that have a variety of housing and transportation choices, with destinations close to home. As a result, they tend to have lower transportation costs, reduce air pollution and stormwater runoff, decrease infrastructure costs, save people time in traffic and meet market demand for different types of housing at different prices points. For purposes of this RFP, DHCD will focus its sustainability efforts on investing in projects that are located within $\frac{1}{2}$ mile of a Metrorail station, & bus hubs/depots or the forthcoming DC Streetcar lines (as evidenced by the DC Department of Transportation at www.ddot.dc.gov or www.dcstreetcar.com).

- ❑ 10 points = The developer/sponsor must demonstrate in writing that its prospective project is located within $\frac{1}{4}$ mile of a Metrorail station, & bus hubs/depots or the forthcoming DC Streetcar lines (as evidenced by the DC Department of Transportation at www.ddot.dc.gov or www.dcstreetcar.com).
- ❑ 5 points = The developer/sponsor must demonstrate in writing that its prospective project is located within $\frac{1}{2}$ mile of a Metrorail station, & bus hubs/depots or the forthcoming DC Streetcar lines (as evidenced by the DC Department of Transportation at www.ddot.dc.gov or www.dcstreetcar.com).
- ❑ 0 points = Failure to document the minimum steps outlined for 5 points, above.

8. Amount of the Subsidy Request (maximum 10 points)

This score will be determined from the Applicant's response in **Exhibit A** of the Application Submission Package Exhibits Checklist.

Scoring is based only on DHCD-assisted units in the project. All projects will be assessed relative to other projects of similar type, measuring average subsidy per unit against the weighted average of the

guideline maximum per-unit DHCD subsidy limits in Tables 7 and 8 above. Subsidy per unit is determined by dividing the DHCD investment by the DHCD assisted units.

- ❑ 10 points = up to \$25,000 in DHCD subsidy per unit
- ❑ 8 points = \$25,001- 50,000 in DHCD subsidy per unit
- ❑ 6 points = \$50,001 - \$75,000 in DHCD subsidy per unit
- ❑ 4 points = \$75,001- \$100,000 in DHCD subsidy per unit
- ❑ 1 point = Over \$100,000 in DHCD subsidy per unit

9. Timeliness (maximum 5 points)

This score will be determined from the Applicant's response in **Exhibit A** of the Application Submission Package Exhibits Checklist.

This will measure the readiness of the site to start construction, including whether the applicant has completed a Phase 1 environmental site assessment analysis, formulated a satisfactory plan to deal with any issues raised through those studies, and has successfully addressed zoning and historic preservation issues.

- ❑ 5 points = Applicant has completed a Phase 1 environmental site assessment analysis within the past **90 days** of the RFP Application Submission date; Applicant has completed a full appraisal of the project within the past 60 days from the RFP Application Submission date that contains an after-rehabilitation value (as appropriate); Applicant has finalized and executed a construction contract with a licensed general contractor (as appropriate).
- ❑ 3 points = Applicant has completed a Phase 1 environmental site assessment analysis within the past **180 days** of the RFP Application Submission date. Applicant has completed a full appraisal of the project within the past 120 days from the RFP Application Submission date that contains an after-rehabilitation value (as appropriate); Applicant is in negotiations regarding a construction contract with a licensed general contractor (as appropriate).
- ❑ 0 points = Failure to document the minimum steps outlined for 3 points, above.

10. Coordination with other District Government Agencies and/or Letter of Support from the Council of the District of Columbia and/or local Advisory Neighborhood Commission ("ANC") (maximum 5 points)

This score will be determined from the Applicant's response in **Exhibit Q** of the Application Submission Package Exhibits Checklist.

- ❑ 5 points = **Letter(s) of commitment** from other participating District Government agencies and **Letters of Support** from the Council of the District of Columbia **and** ANC are included. If no other District Government agency is participating in the proposed project, a Letter of Support from the Council of the District of Columbia **and** ANC must be included.
- ❑ 3 points = **Letter(s) of interest** from other participating District Government agencies and **Letters of Support** from the Council of the District of Columbia **or** ANC are included. If no other District Government agency is participating in the proposed project, a Letter of Support from the Council of the District of Columbia **or** ANC must be included.

- ❑ 0 points = Failure to document the minimum steps outlined for 3 points, above

Bonus Points (up to 10 points total)

1) Geographic Targeting (4 points)

This score will be determined from the Applicant's response in **Exhibit E** of the Application Submission Package Exhibits Checklist.

Bonus points will be awarded to proposed projects located in the targeted geographic areas noted in Section III (E) of the RFP.

2) Non-Profit Participation (2 points)

This score will be determined from the Applicant's response in **Exhibit Q** of the Application Submission Package Exhibits Checklist.

Bonus points will be awarded for projects in which **non-profit organizations** have significant partnership roles (e.g., developer, co-developer, property manager).

3) Use of District of Columbia Certified Business Enterprises (CBE) (2 points)

This score will be determined from the Applicant's response in **Exhibit P** of the Application Submission Package Exhibits Checklist.

The District of Columbia encourages the maximum utilization of District of Columbia Certified Business Enterprises ("CBE") for the development and construction of projects where DHCD invests resources. Sponsors and developers are encouraged to utilize District CBEs in all phases of the development process. Sponsors and developers may contact the Department of Small & Local Business Development, at (202) 727-3900 for information on District of Columbia Certified Business Enterprises. The minimum requirement is 35% participation; bonus points will be awarded for evidencing a commitment above the 35% threshold.

- District of Columbia CBEs participation in 36% or more of all available development, construction, and professional opportunities. (2 points)

4) Subsidized Family-Oriented Units (2 points)

This score will be determined from the Applicant's response in **Exhibit A** of the Application Submission Package Exhibits Checklist.

- ❑ 2 points = 33 % or more of project units are 3 or more bedrooms.
- ❑ 1 point = 20% – 32 % of project units are 3 or more bedrooms.
- ❑ 0 points = Less than 20% of project units are 3 or more bedrooms.

VII. Application Review Process & Timing of Awards

Once applications are received and accepted, DHCD will first determine whether or not applications conform to the Eligibility Requirements outlined in Section V of the RFP. Applications determined to be ineligible will not be reviewed. All eligible applications will be

scored against the Scoring Criteria outlined in Section VI of the RFP, and then compared against all others received for the proposed development type (e.g. rental housing, homeownership, etc.). Applications will then be forwarded to an Independent Review Panel of industry experts for review. Projects which: a) meet the eligibility requirements, and b) score competitively compared with other proposed projects of similar type will be recommended to DHCD for funding. DHCD will conduct the final review of applications and will select the applications for funding against the funds available.

DHCD anticipates the announcement of applicant selection for the Underwriting Phase in August 2012. The announcement of selection means only that the applicant has been selected to advance to the Underwriting Phase, the outcome of which will impact DHCD's final decision to award funding to a particular project.

Applicants whose projects have been selected to advance to underwriting will be so notified and invited to attend a "kick-off" meeting. The purpose of the "kick-off" meeting is to review the project status as it advances to underwriting, and to gain a common understanding of the requirements, terms and provisions for further review of the application. After this meeting has been held, applicants will have 30 days to submit any additional documentation needed for the application. During this 30-day period, DHCD will conduct due diligence, environmental and other regulatory reviews, verify all representations made in the application, will establish final underwriting terms including (where applicable) loan terms, interest rates, security and collateral requirements and other covenants, and will make a final recommendation to the Director for financing. Commitments from other funding sources must be secured prior to initial loan closing pertaining to DHCD funding. For more details on the funding process, refer to the *DFD Application Submission Package*, included as an attachment to this RFP

VIII. Application Guidelines

Application guidelines and requirements are identified below. Detailed guidelines and requirements are contained in the DFD Application Submission Package.

1. ***Applying for Multiple Projects:*** Applicants may apply for funding for more than one project.
2. ***Application Submission:*** Applications must be received at DHCD on or before **4:00 pm. Wednesday, May 30, 2012, Daylight Savings Time.** Applications must be delivered to DHCD, 1800 Martin Luther King Jr. Ave., S.E., 1st Floor Security Desk, Washington, DC 20020. **Please note that no applications will be accepted after the 4:00 PM deadline. DHCD will use a time/date stamp clock to register the application and will monitor the timeliness of applications received.**

Applicants must submit one CD of the application and one signed copy of the application in a three ring binder (with each exhibit tabbed). DHCD will not make copies for applicants. Application documents, other than maps and drawings, must be submitted using a 12 point type size and on 8 ½ x 11 paper.

An individual authorized to obligate the applicant *must* sign the Application Summary Sheet. By signing the application, the authorized person is also attesting to the truthfulness of the information supplied in the application. Unsigned applications will not be accepted. The Certification documents, including Contract Affidavit, Qualifications Statements, and Monitoring Certification Forms (all in “Electronic Forms” folder of the RFP) must also be signed.

3. ***Project Award Provisions:*** All awards are subject to the applicable federal and District of Columbia guidelines and regulations applying to those funds. All awards are subject to the regulatory requirements referenced, and to the availability of District of Columbia or federal funds.

IX. Content of the Application

To be considered for funding, applications must be complete and must include the following elements in the order listed below. All required forms and attachments are provided in Section 6 of the DFD Financing Application Submission Package and in the Exhibits.

Complete DHCD DFD Financing Application

Application Cover Page (with signature of individual authorized to obligate your organization and attest to truthfulness of application contents required. **NOTE: Lack of an authorized signature will disqualify the application.**

Project Narrative – Appendix 1

Form 202 DFD Financing Application and the following, which are either included in the 202 form or within the Electronic Forms folder in the RFP package.

- Environmental Due Diligence Checklist
- Form of Contract Affidavit
- Form 203 – Developer’s Qualifications and Team Member Current and Recent Workload
- Supplement to AIA Document 305
- Form 209 – Management Agent Qualifications (rental/special needs projects only)
- Developing a Tenant Service Plan
- Form 215 – Detailed Cost Estimate
- Exhibit Z – Monitoring Certification Form
- Exhibit Z-1 – FHEO Certification Multi & Single Family Checklist
- Exhibit Z-2 – Section 504 Housing Construction Certification Checklist
- Exhibit Z-2 – Section 504 Housing Construction Laws and Regulations
- Exhibit Z-3 – AFHMP
- Exhibit Z-3 – AFHMP Instructions
- Exhibit Z-4 – Section 3 Fact Sheet
- Exhibit Z-4 – Section 3 Program Certification Form
- Exhibit Z-4 – Section 3 Past Performance

- Exhibit GB-1 2011 GCC Overview & FAQs
- Exhibit GB-2 2011GCC Intended Methods Checklist
- Exhibit GB-3 2011 GCC Integrated Design Charrette Documentation