



District Opportunity to Purchase Act RFP: 801-811 R Street NW

Department of Housing and Community Development
January, 2024

PROPERTIES OVERVIEW



**DID YOU LIVE @
HERITAGE AT
SHAW?**

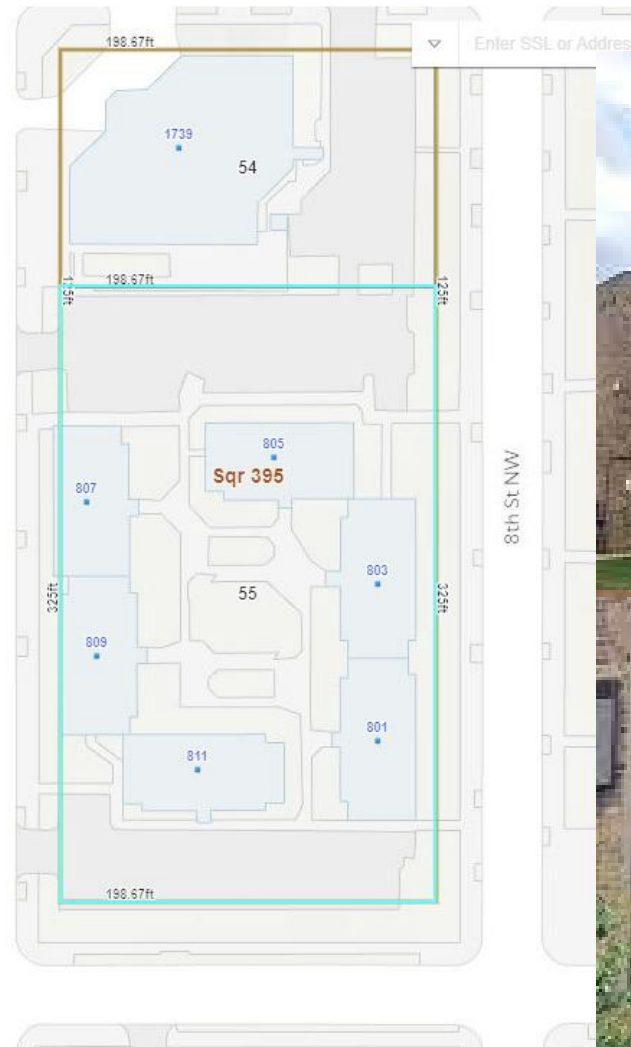
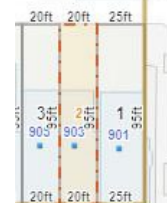
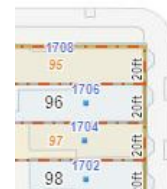
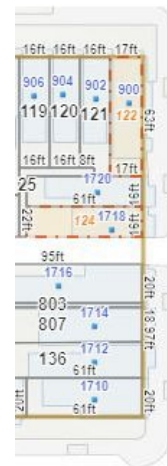
(1711 8th St NW, Washington DC 20001)

MID-CITY PLANS TO TEAR DOWN 50 UNITS AT HERITAGE AT SHAW (FORMERLY KNOWN AS LINCOLN WESTMORELAND II) TO MAKE WAY FOR OVER 300 UNITS OF PRIMARILY MARKET-RATE, LUXURY APARTMENTS

DID YOU KNOW ABOUT MID-CITY'S PLANS BEFORE YOU MOVED?

IF NOT, DO YOU BELIEVE MID-CITY SHOULD MAKE SURE YOU HAVE A RIGHT TO RETURN TO THESE NEW UNITS?

IF YOU BELIEVE IN A RIGHT TO RETURN, THEN JOIN US AS WE DEMAND JUSTICE!

Authority:

- D.C. Official Code tit. 42 §§ 3404.31-3404.37
- D.C. Mun. Regs. tit. 14, §§ 2401-2499

Key Elements:

- Invoked when an owner seeks to sell a housing accommodation with 5 or more units.
- District can assign its DOPA right in a similar way to tenants assigning their TOPA rights.
- DOPA rights are subordinate to TOPA rights, so if a TOPA purchase is made, DOPA acquisition will not proceed.
- Affordability requirements:
 - For occupied units:
 - Rent may not be raised during first 12 months after acquisition.
 - After the first 12 months, rent increase is subject to allowable percentage caps and may not rise more than 10% per year.
 - For vacant units:
 - Most recent rent affordable to households earning 31-60%MFI, rents capped at 60%MFI affordability level.
 - Most recent rent affordable to households earning $\leq 30\%$ MFI, rents capped at 30%MFI level.
 - Some rents may be higher than 60%MFI level, as long as average of all units is $\leq 60\%$ MFI level.
 - Mayor may waive certain elements of affordability plan if necessary for financial sustainability of project.

Opportunity at 801-811 R Street NW



- 71-unit project located adjacent to the Shaw metro station.
- Originally built as part of District's urban renewal program.
- Opted out of project-based Section 8 contract in 2013.
- Notice of Offer of Sale documents purchase price of \$16.25MM.
- Tenants are actively considering TOPA acquisition; interested parties encouraged to contact the tenant association and/or its representatives.
- DHCD selecting developer for assignment of DOPA right if TOPA does not proceed.
- Timeline for this project:
 - August 2, 2023: Notice of Offer of Sale received by DHCD.
 - September 2, 2023: DHCD sends Statement of Interest.
 - DHCD received due-diligence materials in late September, adjusting future deadlines per DOPA.
 - April 10, 2024: District or assignee must execute contract to purchase with seller.
 - June 10, 2024: District or assignee must settle on the purchase from the seller.



- Focuses on development team qualifications:
 - Asks for a development approach rather than a development plan:
 - Detailed predevelopment & design process has yet to take place.
 - Most permanent funding sources cannot be confirmed at this stage.
 - Qualifications will be matched to scale & complexity of ambition.
 - If any part of a team is selected by tenants for assignment of TOPA rights, applicant gets full points for approach to working with existing tenants.
- Nonprofit developers that accept modest financial assistance as a result of the DOPA RFP may be eligible for tax exemptions that can help with carrying costs.

Scoring criteria



All applicants not requesting funds	Nonprofit applicants requesting funds	Criteria
40	40	<p>Capacity to plan, finance, and develop projects of similar scale, complexity, and residential tenure type to that anticipated in the Development Approach.</p> <p>Five (5) points of this total will be awarded for successful project completion in DC.</p>
35	35	<p>Capacity to successfully manage affordable and mixed income housing projects of similar scale and complexity to that anticipated in the Development Approach.</p> <p>Includes quality implementation for relocation and resident services delivery, if applicable.</p>
15	10	<p>Demonstrated capacity to involve residents of affordable and mixed income housing in planning, design, development and management.</p>
10	10	<p>Proposed approach for involving existing residents of the premises in the design, development and management.</p> <p>If any organization in an applicant team has been selected for assignment of TOPA rights, that applicant will receive full points for this element.</p>
N/A	5	<p>Amount of funding requested: lower total costs proposed for the District will receive higher scores for this element.</p>



RFP Process and timing



Dates and Deadlines	Activities and Submission Requirements
January 3, 2024	RFP released
January 11, 2024, 3:30 pm EST	Briefing for potential applicants
January 31, 2024, 1:00 pm EST	Application deadline
February 2, 2024	Completeness items deadline (certain items only, see Sec. VII of RFP)
Mid-February, 2024	Anticipated announcement of Selected Developer
April 10, 2024 *	Contract deadline: Selected Developer executes Purchase and Sale Agreement with seller
June 10, 2024 *	Settlement deadline: Selected Developer takes title to premises



* *Contract and settlement deadlines are subject to extension pursuant to TOPA and DOPA.*