



Department of Housing and Community Development

Pre-Solicitation and Capacity Building Workshop

February 27, 2014



WELCOME



Department of Housing and Community Development

Michael Kelly

Director

D.C. Department of Housing and Community Development



Department of Housing and Community Development

Nathan Simms

Deputy Director

D.C. Department of Housing and Community Development

DEVELOPMENT AND PROGRAM FUNDING SOURCES



DEVELOPMENT AND PROGRAM FUNDING SOURCES



- Community Development Block Grant
FY15 Allocation: *\$14 million (projected)*
FY15 Availability: *\$12 million (projected)*
- Home Investment Partnership Program
FY15 Allocation: *\$4.1 million (projected)*
FY15 Availability: *\$ 0 available*

DEVELOPMENT AND PROGRAM FUNDING SOURCES



- 9% Low Income Housing Tax Credits
FY14 Obligated: *\$1.47 million*
FY15 Availability: *\$3.3 million (est.)*

DEVELOPMENT AND PROGRAM FUNDING SOURCES



- Housing Production Trust Fund
FY15 Allocation: *\$50 million (est.)*
FY15 Availability: *\$70 million (est.)*
- Department of Behavioral Health
FY15 Allocation: *\$4 million (est.)*
FY15 Availability: *\$4 million (est.)*

NEIGHBORHOOD BASED ACTIVITIES

A network of community-based organizations will be selected to administer the following programs:

- *Housing Counseling*
- *Small Business Technical Assistance*
- *Storefront Façade Improvement Program*

Funding Sources:



Contracting Opportunities:

Request for Applicants

April 2, 2014

EDWARD DAVIS, PROGRAM MANAGER

DEVELOPMENT FINANCE DIVISION

Provides gap funding for the development of affordable rental units, homeownership units and community facilities for residents of the District of Columbia.

Funding Sources:



FY14 Obligated: *\$155 million*

FY15 Availability: *\$70 million (est.)*

Funding Opportunities:
Request for Proposals

April 2, 2014

OKE ANYAEGBUNAM, DIVISION MANAGER



PROPERTY ACQUISITION AND DISPOSITION DIVISION

Acquires vacant, abandoned and deteriorated properties and disposes of them by selling the properties to be rehabilitated into high quality affordable and market-rate housing for residents of the District of Columbia.

Current Inventory:

120 Lots

25 Buildings

Upcoming Property Dispositions:

March-May 2014; Multiple Properties

NATHAN SIMMS, ACTING DIVISION MANAGER



Department of Housing and Community Development

Nathan Simms

*Acting PADD Division Manager
D.C. Department of Housing and Community Development*



Upcoming Solicitations to be released Late March - September

- Halley Terrace/Forrester St/6th St, SE
- Hunter Place, SE
- Minnesota Ave/27th St, SE
- West St, SE
- Kramer Street
- 8th & T, NW
- Amber Overlook Phase III
- 3401 13th St, SE
- Florida & Q, NW
- High St, SE
- Alabama Avenue
- Good Hope Road- (SFO these properties may be later than Spring 2014)



SELECTION PROCESS

Proposals will be reviewed and evaluated based on:

- Responsiveness to Residential Development
- Track Record in development of affordable housing
- Proposed Development Team Members
- Attention to Community Engagement Process
- Willingness to work with DHCD to Refine the Concept
- Access to Capital/Financing
- *Note: DHCD Gap financing available for proposals meeting the Selection criteria*



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Lamont Lee

*Supervisory Program Manager, RCSD
D.C. Department of Housing and Community Development*

NEIGHBORHOOD BASED ACTIVITIES

- Housing Services Program
- Small Business Assistance Program
- Façade Improvement Program

Are you ready to apply for funds?

Do you have the right:

- Certifications/Registrations
- People/Relationships
- Experience/Record



NEIGHBORHOOD BASED ACTIVITIES

Request for Applications- April 2, 2014

- Organizational assessment
- Activity/project assessment

All applicants will submit a Marketing Plan

- Strategy should be holistic/comprehensive
- Strategy should augment DHCD's marketing

Awards selected July 1, 2014

HOUSING SERVICES

Produce quality housing counseling for DC residents focusing on low and moderate income communities

- Provide outreach
 - Application processing
 - Training/Counseling
 - Support DHCD programs
- Menu of Services Approach
 - Homeownership
 - Home perseveration
 - Tenant education
- Providers must act as neighborhood partners

FAÇADE IMPROVEMENT

Projects to make DC's commercial areas look better

- Non-profits will:
 - Market the project to neighborhood businesses
 - Develop the design for the project
 - Coordinate pre-construction activities
 - Coordinate/manage construction
- Non-profits must have:
 - Good project development experience
 - Construction experience
- 2015 Focus
 - Corner Stores
 - Store interiors
 - Green Building Design

SMALL BUSINESS ASSISTANCE

Empower small and start-up businesses in low moderate-income communities

Activities include:

- One-on-one technical assistance
- Training, seminars and workshops on business topics
- Marketing and referrals involving all business support services throughout the District
- Involvement in overall or larger commercial development projects in low and moderate income communities
- This program doesn't provide loans or grants directly to businesses
- Grantees must be a neighborhood partner



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Laverne Scott

*Housing Projects Coordinator, DFD
D.C. Department of Housing and Community Development*



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CONSOLIDATED RFP

- Combining City Resources for Maximum Impact
- Focus on Permanent Supportive Housing
- Funds also available for ownership-rental, elderly, mixed-use housing



CONSOLIDATED RFP

- Federal: HOME, CDBG
- 9% Low Income Housing Tax Credits (LIHTCs)
- Housing Production Trust Fund (HPTF)
- Department of Behavioral Health (DBH)-Capital Grants
- Department of Health (DOH) - HOPWA Grants
- DC Housing Authority (DCHA)-Rental Assistance
- Department of Human Services (DHS)
- DCHFA financing and 4% LIHTCs



CONSOLIDATED RFP

- All sources have eligibility and use restrictions
- When these conflict DHCD will use the more restrictive criteria
- Required by Federal, District law



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HOUSING PRODUCTION TRUST FUND

- Available from deed transfer and recordation taxes - \$70 million



LOW INCOME HOUSING TAX CREDITS

- 2014 - 9% credit allocation from DHCD - \$3.3 million
- 4% credits, along with bond financing, through DCHFA



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DBH CAPITAL GRANTS

- Administered by DHCD through this RFP
- Available - \$4 million
- Only to fund units occupied by DBH consumers



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DOH HOPWA GRANTS

- Administered by DHCD through this RFP
- Available - \$ *TBD*
- Only to fund units occupied with persons living with HIV/AIDS



DCHA RENTAL SUPPORT

- Administered by DHCD through this RFP
- Priority of use in Permanent Supportive Housing
- Available
 - 50 locally-funded rent supplements (LRSP)
 - 50 Housing Choice Vouchers (HCVP)*
 - 300 Annual Contributions Contract (ACC) units

*For projects that will be completed in calendar year 2016



DHS SUPPORT

- Operating grants for supportive services
- Priority of use in Permanent Supportive Housing
- Available - \$500 thousand

PROJECTS SEEKING 4% LIHTCS DCHFA BOND FINANCING

- Apply first to DCHFA.
- Applications will be accepted on a tiered timeline. DCHFA will accept DHCD applications and the 202 form.
- Potential need for DHCD funds will be determined by DCHFA.
- Letter will be sent out by DCHFA on a tiered timeline.

DHCD'S APPLICATION PROCESS

- Thorough underwriting before decisions
- Better coordination with other sources of financing and operating support
- Improved lending outcomes

REASONS FOR THE PROCESS

- Applicants want more clarity and consistency
- HUD wants successful projects
- Too many stalled, troubled projects from prior years

OTHER NEW REQUIREMENTS

- 5% of all projects must provide Permanent Supportive Housing as defined in the RFP
- Priority points will be given to projects offering larger bedroom sizes (3 BRs and above)
- Tier “One” and Tier “Two” Application Review Process

TIERED REVIEW PROCESS

What is the Tiered Review Process?

In this NOFA, there will be two (2) tiers of applications based on the project's readiness to close.

- Tier One applications are ready to close pending DHCD's commitment.

TIERED REVIEW PROCESS

- Tier Two (2) applications are well developed projects which are finalizing some aspects of their package.

The review and underwriting of Tier One and Tier Two applications will occur on different timelines.

TIERED REVIEW PROCESS

What is Considered a Tier One Application?

A Tier One application:

- Meets all Threshold Requirements
- Submits a complete application with attachments in final form

TIERED REVIEW PROCESS

- Has applied for construction permits with complete construction drawings and has selected their General Contractor; and
- Has final commitments for all other funding sources

TIERED REVIEW PROCESS

What is a Tier Two Application?

A Tier Two application:

- Meets all Threshold Requirements
- Submits a complete application



TIERED REVIEW PROCESS

Tier One Application Deadlines

- Submits a complete application to DHCD between April 3rd and May 2nd, 2014
- Submit an application to DCHFA between March 3-14, 2014



TIERED REVIEW PROCESS

Tier Two Application Deadlines

- Submits a complete application to DHCD by June 2, 2014
- Submits an application to DCHFA by April 21, 2014

FOUR STEP PROCESS FOR DECISIONS

1. Threshold - clear, objective criteria
2. Feasibility/sustainability analysis, through underwriting
3. Project prioritization, only for applications determined to be feasible
4. Funding decisions



STEP ONE: THRESHOLD CRITERIA REVIEW

11 criteria

- All criteria clear and objective
 1. Site control for applicant
 2. Zoning in place
 3. Regulatory eligibility for appropriate programs
 4. Development team materials submitted
 5. Corporate Good Standing and Clean Hands Certificate

THRESHOLD CRITERIA REVIEW – CONT'D

6. Creditworthiness
7. Completed Green Design process
8. Architectural schematic drawings and Form 215
9. Recent appraisal
10. Phase I Environmental and Historic Reviews completed
11. Completeness of application material submitted

THRESHOLD CRITERIA REVIEW

- Anticipate Completion of Tier One review by May 9, 2014 and Tier Two review by June 13, 2014
- Applications that pass move into next three steps
- Applications that fail will not move to the next step, and will receive notice

FUNDING DECISIONS

- External Committee Review
- Internal Committee Review
- Ratified by DHCD Director Kelly
- A Reservation or Rejection Letter issued to all applicants – Tier One in June 2014 and Tier Two, in September 2014

FUNDING DECISIONS

- Letter of Reservation will include project-specific and generic closing conditions
- Commitment Letter follows with progress on closing conditions



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Do's & Don't's



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UPCOMING WORKSHOPS

DHCD Programs and Services: Compliance and Oversight:

March 27, 2014, DHCD



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QUESTIONS & ANSWERS



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Thank You!