

Fact Sheet



Government of the District of Columbia
Department of Housing and Community Development
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DHCD's 2016 Funding Notice and RFP Process

Every year, the Department of Housing and Community Development (DHCD) competitively makes available federal and local funds for the construction and rehabilitation of real estate projects that create or preserve affordable housing units.

Summary of the Process

In early 2016, DHCD held a Notice of Funding Availability (NOFA)/Request for Proposals (RFPs) that sought technical and financially feasible proposed affordable housing projects. Proposals had to meet established criteria and compete for publicly funded gap financing. The criteria included:

- Emphasis on the production of housing for households at or below 50 percent of the area median income (AMI) and the preservation of housing for households at or below 80 percent AMI.
- Production of Permanent Supportive Housing (PSH) units, as guided by the Homeward DC plan for addressing homelessness.
- Demonstrating that the project secured necessary regulatory approvals, leveraged non-DHCD sources, was financially and economically feasible, and would be managed by an experienced development team.
- Preferences for senior housing, mixed-income projects, projects where tenants previously purchased the property under the Tenant Opportunity to Purchase Act (TOPA), District Land dispositions, and projects that proposed family-sized units.
- Preferences for projects located near Metrorail stations or streetcar stops and projects in high opportunity neighborhoods.

Twenty-nine proposals were received, requesting a total of:

- \$191 million in development subsidy from the Housing Production Trust Fund (HPTF) and other local and federal funding sources (Department of Behavioral Health (DBH), Community Development Block Grants (CDBG) and the HOME Program).

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- \$8.7 million in 9 percent Low Income Housing Tax Credit (LIHTC) allocations.
- Operating subsidy through the Local Rent Supplement Program (LRSP) for 449 units
- \$3.7 million in annual supportive services contracts from the Department of Human Services (DHS).

Selected Projects

Proposals were received for projects in five of the city's eight wards (Wards 4, 5, 6, 7, and 8). Projects were selected for further underwriting in Wards 4, 5, 6, and 8.

DHCD along with the Department of Energy and Environment (DOEE), DC Housing Finance Agency (DCHFA), DHS, DBH, and DC Housing Authority (DCHA) recommended 13 proposals, with a total development cost (public and private funding) of nearly \$400 million.

The 13 projects total:

- 1,183 affordable units, including 460 preserved units and 638 new units
- 343 units for those making 30 percent AMI
 - 135 of these units will be permanent supportive housing units for the formerly homeless individuals and families, which will help meet the Bowser administration's goal of ending homelessness in this city by 2020
- 636 units for those making 31-50 percent AMI
- 204 units for those making 51-80 percent AMI
- 59 market rate units (market-rate units cannot be funded with DHCD sources)
- 322 units reserved for seniors ages 55 and older (at various income levels)

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Funding these projects comes from a number of sources, including:

- \$102.5 million in HPTF money
- \$3.44 million in 9 percent LIHTCs
- \$879,168 in DHS Supportive Services funding
- \$1.05 million from DBH

DHCD is working to ensure that two NOFAs/RFPs are published annually. This biannual process will provide an opportunity for projects that are not selected to again compete for publicly funded gap financing.