

DHCD - DFD Financing Application : Q&A | All 2015 Summer RFP Q&As

This report includes all responses issued by DHCD to questions asked during the 2015 Summer RFP application window. This guidance is specific to the 2015 RFP will not necessarily be accurate for past or future RFPs.

All 2015 Summer RFP Q&As

Subject	Question	Response
2011 Green Communities (1 Q&A)		
2011 Green Communities	In your application form, In the Green Communities section, the dropdown menu for GC Compliance only includes Green communities 2015, or various LEED certifications. There doesn't appear to be an option to choose GC 2011 for those of us who already registered our projects. Can you add GC 2011 as an option?	Projects seeking financing under this RFP must certify to Green Communities Criteria 2015. Green Communities Criteria 2011 is no longer the current standard and Enterprise is only accepting GCC 2011 prebuild certification applications until October 7, 2015. Because of this, DHCD has consistently stressed that the eligible GCC standard is 2015, <u>not</u> 2011. The project must update its design to meet GCC 2015 certification requirements and submit forms accordingly.
2015 RFP (1 Q&A)		
2015 RFP	Good Friday Afternoon DHCD. Please refer to: B. Final Design Schematics Documents #3 Structural Documents, #4 Plumbing Documents, #5 HVAC Documents #6 Electrical Question: for a new construction project - Are you looking for a narrative or drawings for each of these design discipline? Generally, a narrative is all that is available at this stage of pre-development, but wanted to be sure I understood the requirement.	Please provide as much detail as possible. A more detailed set of documents will help DHCD evaluate the project and will indicate that the project is closer to being ready to close on financing and break ground.
3rd Party Reports (1 Q&A)		
3rd Party Reports	In prior applications, 3rd party reports, such as appraisals, had a longer shelf life than what is allowed in the current NOFA. Some respondents, with the anticipation that the NOFA was going to be released by spring/early summer, may have procured these studies and reports earlier and are now faced with additional expenses to have them updated in order to meet threshold. Will DHCD consider expanding the shelf life of appraisals from 3 months to 6 months?	DHCD has updated the RFP requirements to allow for appraisals to be up to 180 days old at the time of application (prior to this change, that requirement was no more than 90 days). This change is reflected in the updated version of the RFP, available on the RFP homepage and at the link below: DC Summer 2015 Affordable Housing Consolidated Request for Proposals - Revised 2015.08.14 (click to download) . For selected projects, the appraisal (or the most recent update) must not be more than 1 year old at the time it is submitted to the Office of Program Monitoring for compliance review, so an update may be required at that point. An appraisal update will be required prior to closing so that a current appraised value is available within 120 days of closing.
50% AMI (1 Q&A)		
50% AMI	If a project has 0-50% AMI units and some 51-60% AMI units can DHCD funds be targeted to 0-50% AMI units and private financing be targeted to 51-60% AMI units?	Yes. On projects that produce new units, DHCD will underwrite the gap on the 0-50% AMI units, and the applicant must demonstrate that the higher income units are feasible without assistance from sources offered by DHCD through this RFP.
60% AMI (1 Q&A)		
60% AMI	The following questions have been grouped and a single response issued: Most NOFAs/QAPs are published after the development community has input by providing comments on the prior NOFA/QAP prior to the final publication. Will DHCD ever move to this format so issues can be discussed prior to the final publication? In the past, DHCD has provided an opportunity for industry feedback prior to the issuance of the QAP/NOFA. It was stated that the HPTF statute requires a significant amount of housing production at 50% AMI. Is there an opportunity to gradually increase the cap of 50% AMI requirements over a period of time? Eliminating funding for 60% AMI units places significant pressure on new construction project budgets.	DHCD sought and received many forms of public input in developing this Request for Proposals, but since it is a competitive procurement document, did not release a draft for prospective applicants to comment on. Members of the public provided input at monthly Housing Production Trust Fund advisory board meetings, monthly Housing Solutions Committee meetings, annual Agency Performance and Budget Oversight Hearings before the Council of the District of Columbia, and Annual Action Plan and Consolidated Annual Performance Evaluation Report (CAPER) hearings. DHCD also commissioned a Housing Needs Assessment that surveyed more than 70 developers who have built affordable housing in DC and worked with DHCD. DHCD sought to balance all of these perspectives in setting the policy direction of this RFP. Ultimately, all of DHCD's activities are governed by the rules and regulations associated with the funding sources that the Department administers. Any change to these rules and regulations, including the income targets, would require legislative action.
9% LIHTC (1 Q&A)		
9% LIHTC	How much money is available in 9% LIHTC in this summer 2015 round?	Up to \$3 million in 2016 Low Income Housing Tax Credits (LIHTC) is available.
Accessibility (1 Q&A)		
Accessibility	20% PSH UFAS? Usually 5% UFAS of Total Development. 20% is part of	To achieve prioritization scoring points, 20% of the PSH units must meet the UFAS standard for Full Accessibility. In addition, the standard Accessibility requirements apply to the non-PSH portion of the project.

5%? and not in addition?		
Acquisition (1 Q&A)		
Acquisition	While at the meeting two weeks ago I was told that I would have to acquire properties that were owned by DCHA vs properties on the MLS. If this is true where do I find the list of DC owned property to buy?	That is not accurate. Projects may be proposed on any property over which the applicant has site control.
Acquisition or Funding? (1 Q&A)		
Acquisition or Funding?	Kindly tell me if the current RFP may be used for both acquisition and funding or for a single thing.	Funding is not available for acquisition-only projects, but rehab or new construction projects may request funding for acquisition costs.
Acquisition Price (1 Q&A)		
Acquisition Price	Will Capitalized Lease Payment for land under a long term Ground Lease be considered as Acquisition Price, though title may not be transferred.	In the scenario presented, DHCD will underwrite to the lesser of (a) the capitalized lease payment and (b) the appraised value.
Acquisition-Only Projects (1 Q&A)		
Acquisition-Only Projects	<p>The following responses have been grouped and a single response issued:</p> <p>If we are submitting a project as an acquisition deal only (no new construction and no rehab), is the Green Communities documentation still required?</p> <p>If a project anticipates acquisition of existing units but does not contemplate rehab (preservation) is a Phase 1 required and, if so, are lead and ACM assessments required at application stage since nothing will be disturbed in the units?</p> <p>Are building evaluation reports required for acquisition-only (no rehab) projects?</p>	DHCD is not offering acquisition-only funding through this RFP. Tenant Opportunity to Purchase Act (TOPA) projects may apply for acquisition financing on a rolling basis.
Affordable Senior Housing (1 Q&A)		
Affordable Senior Housing	Do the same eligibility requirements regarding reservations for households earning <50% AMI and 5% Permanent Supportive Housing also apply to the production of new senior housing? Would senior housing serving 60% AMI households not qualify?	All of the RFP requirements apply the same to senior housing. Unless the project falls into the Preservation (not Production) category, units serving 60% AMI households are not eligible for funding.
Agency Funding (1 Q&A)		
Agency Funding	Can we find out how much funding goes to each individual agency? And what kind of housing is each agency looking for?	The RFP objectives and requirements apply to all projects funded through this RFP. There are sections that outline agency-specific requirements, where applicable. DHS supportive services funds and DCHA vouchers are prioritized for projects that also apply for and receive development subsidies from DHCD and/or DBH.
AMI (1 Q&A)		
AMI	How will the "GAP" For 0-50% AMI units be determined?	The gap is the difference between the total development cost, and the non-DHCD financing sources that can be supported by net operating income. This gap is typically calculated for an entire project, but can be approximated using the same methodology for individual units, or a block of units, in projects where not all units are eligible for DHCD financing through this RFP (e.g. mixed income projects).
AMI Restrictions and Gap (1 Q&A)		
AMI Restrictions and Gap	How will gap be determined on a new construction deal that has a mix of incomes some above 50% AMI? If there is no gap funding for other income levels and projects aren't in areas where rents are high enough to leverage enough private financing for the units above 60% AMI, will projects just not be funded in those areas (i.e. east of the river)?	Applicants will need to find other funding sources, not offered through this RFP, to cover any financing gap on newly constructed units for households with incomes above 50% of AMI. DHCD does not offer development subsidies for market-rate housing, and through this RFP does not offer development subsidies for new construction of housing for 60% AMI or 80% AMI.
AMI Restrictions and the GAP (1 Q&A)		
AMI Restrictions and the GAP	Prior NOFA's have include 60% AMI units – why the change to capping it at 50%? Moreover not allowing 60% of AMI housing further exacerbates the GAP – which theoretically could exceed 50% of the total stack. Given where rents are we are not sure why leveraging additional debt is a bad thing. Serious consideration has to be given to allowing more 60% of AMI housing. The previous statements notwithstanding, it is also unclear how the agency would calculate the GAP for developments that do include a mix of units below and above 50% AMI.	<p>The Housing Production Trust Fund statute requires that at least 80% of HPTF funds be allocated to units for households earning 50% of AMI or below (including at least 40% at 30% AMI or below). 60% AMI units do not help DHCD achieve compliance with that statutory requirement.</p> <p>The gap is the difference between the total development cost, and the non-DHCD financing sources that can be supported by net operating income. This gap is typically calculated for an entire project, but can be approximated using the same methodology for individual units, or a block of units, in projects where not all units are eligible for DHCD financing through this RFP (e.g. mixed income projects).</p>

ANC Support (1 Q&A)		
ANC Support	Our ANC has received a request to issue a letter of support on behalf of a project in our neighborhood. The ANC meeting (4A) is on the first Tuesday of the month, October 6th, which makes the ANC4A meeting one day after the DHCD October 5th deadline for comment. Will DHCD grant an extension to the project for this item?	ANC support is not a threshold eligibility requirement, so DHCD will accept applications that do not include a resolution or letter of support from the local ANC. Projects that do provide written support at the time of application will earn 2 additional points in the scoring criteria (on a scale of 110-120, depending on the project type). No extensions to the October 5th deadline will be granted. Applicants are encouraged to engage the local ANC and community, even if they cannot meet this deadline.
Application Deadline (3 Q&AS)		
Application Deadline	REMINDER	The application deadline is approaching. All applications must be submitted by 11:59 PM ET on Monday, October 19, 2015.
Application Deadline	REMINDER	The application deadline is approaching. All applications must be submitted by 11:59 PM ET on Monday, October 19, 2015.
Application Deadline	REMINDER	The application deadline is today, Monday, October 19, 2015. All applications must be submitted by 11:59 PM ET.
Application Deadline Extension (1 Q&A)		
Application Deadline Extension	<u>UPDATE FROM DHCD</u>	<p>The deadline for submitting applications has been extended two weeks, to 11:59 pm ET on October 19, 2015.</p> <p>The <u>RFP</u> and the <u>Compliance and Monitoring Reference Guide</u> have been updated to reflect this change.</p>
Application Fee for Tax Credit Applications (1 Q&A)		
Application Fee for Tax Credit Applications	How do we submit the application fee? Are there different options?	The check for the Tax Credit application fee (for projects that are applying for 9% Low Income Housing Tax Credits through this RFP) should be sent to the Department of Housing and Community Development, 1800 Martin Luther King Avenue SE, Washington DC 20020, Attention : Ms. Valisha Ward, and made payable to the DC Treasurer. Reference Tax Credit Fee and Project Name on the Check. The project name must match what is submitted to DHCD through the online application system. There is no application fee for projects that are not applying for Tax Credits.
Application Forms (1 Q&A)		
Application Forms	How do you access the application forms such as affidavits, Form 203, Form 209, etc...?	<p>-----Updated Response</p> <p>The following forms are available for download through the online application system, embedded in the pages that correspond to specific development team members (i.e. developer, general contractor, management agent, etc.). Alternatively, you can download the same forms using the following links.</p> <p><u>Form of Contract Affidavit</u></p> <p><u>Form 203 Developer's Qualifications</u></p> <p><u>Form 209 Management Agent's Qualifications and Apartment Management Experience</u></p> <p><u>Form 215 Detailed Cost Estimate</u></p> <p><u>Supplement to AIA Document 305 - Contractor's Qualification Statement</u></p> <p>----- Original Response</p> <p>Forms related to development team capacity will be available through the online application system by the end of the week. You will be able to access them on the same page where you list other characteristics about specific development team members, such as SBE and non-profit status, contact information, etc. Thank you for your patience.</p>
Application Technical Assistance (1 Q&A)		
Application Technical Assistance		Please continue to send any technical questions you may have about the online application system. There are no exceptions to the 11:59pm October 19, 2015 deadline, so please ask your final questions early.
Application Window Closed (1 Q&A)		
Application Window Closed		<p>The application period for the 2015 RFP is now closed.</p> <p>DHCD thanks all applicants for your time and commitment. We will thoroughly review all proposals and will announce preliminary results during the next few months. We look forward to our potential partnership in helping ensure affordable housing continues to thrive in the District!</p>
Appraisal (7 Q&AS)		
Appraisal	Is an "as-built" appraisal needed for new construction up front for application?	Yes, an "as-built" appraisal must be submitted at the time of application.
Appraisal	Is a "cap rate" of projected NOI a "postconstruction" estimate of value (absent a formal appraisal)?	No. Applicants must submit an as-built (post-construction) appraisal conducted by a licensed appraiser. This appraisal may be based in part on a cap rate and projected NOI, but simply providing those numbers without a formal appraisal will not suffice.
Appraisal	If the appraisals were conducted 90 days prior to application, do they need to be conducted a new or would an update suffice? If the acquisition price to the project is less than the total appraised value or fair market value, will the existing appraisals suffice?	The appraisal requirement has been adjusted to allow appraisals to be up to 180 days old at the time of application. An update of an earlier appraisal will suffice. An appraisal or update from within 180 days is required, even if the acquisition price is less than the appraised value determined in an earlier appraisal.
Appraisal	We plan on submitting a project that was acquired less than 2 years ago for which we only have an "as is" appraisal. As the answer to a recent question stated that a more recent appraisal for a situation like ours wouldn't be required until OPM's review after selection, would we be able to submit with our current "as is" appraisal and plan on obtaining a new report that would include an "as complete" evaluation once we advance to that stage?	An "as built"/"as complete" appraisal is required at the time of application.

Appraisal	Are "as-built"/"as complete" appraisals indeed required for EVERY application at the time of submission?	An "As-Built"/"As-Complete" appraisal is required for every application at the time of submission. The two appraisals that DHCD requires have distinct purposes. The "As-Is" appraisal is used primarily to validate the acquisition price/value. If the applicant already owns the property, DHCD does not require the appraisal to be as recent as it would need to be if acquisition were part of the proposed project scope. The "As-Built" appraisal is required so that DHCD can compare the total project cost and the DHCD loan amount to the overall value of the project, regardless of when the property was acquired.
Appraisal	If a project that 1) does not request tax credits and 2) will exclusively serve low-income households (30% AMI and below via rental subsidy), is it required to procure an appraisal?	Yes
Appraisal	What if your appraisal for preservation units comes in at the same value as your building or within 20% of the value. Will that affect the ability to get financing for updating 30% or 60% units?	DHCD understands that the appraised value of a rehabilitated building may not substantially increase due to rent limits. This alone will not affect a project's ability to obtain financing through the RFP.
Appraisal and Phase I (1 Q&A)		
Appraisal and Phase I	How old can an appraisal or Phase I be?	Phase I environmental site assessments and market studies must be no more than 1 year old at the time of application. Appraisals must be no more than 180 days old at the time of application. Updates of these reports will be required later in the process, for selected projects.
Appraisals (1 Q&A)		
Appraisals	Obtaining appraisals for today and the future seems an excessive expenditure when financing approval is not guaranteed. Would either a BPO or Broker's CMA be accepted instead?	A formal Market Value Appraisal of both the as-is value and the as-complete value is required at the time of application.
Architect Design - Limitation on Fees (1 Q&A)		
Architect Design - Limitation on Fees	On pg. 48 of the RFP - the Architect Design Fee limitations are described as 2% to 6% and also as 2% to 5%. Which is it up to, 5% or 6%?	The guideline for Architect Design Fee is 2% to 6% of the construction contract. This is a slight change from previous years and the final paragraph of page 48 in the RFP was unintentionally not updated to reflect this change.
Architectural Documents (1 Q&A)		
Architectural Documents	In the meeting it was stated that schematic drawings were required for the RFP proposal. In the Q & A section Requirements for Architectural Plans were uploaded and that documents has two sections which include permit ready plans. Please clarify the level of detail needed for the submission.	Schematic drawings is the minimum requirement. Providing more detailed drawings (such as permit-ready plans), if available, will be an indicator of project readiness and will be scored higher.
Bridge Loans (1 Q&A)		
Bridge Loans	While awaiting closing, if property is being acquired will financing to purchaser be provided or guaranteed to the seller earlier (proposal to closing is almost a year!)?	Selected projects will receive a Letter of Commitment from DHCD prior to closing, but DHCD will not disburse any funds prior to closing.
Building Evaluation Report (2 Q&AS)		
Building Evaluation Report	Are there any specific guidelines for the Building Evaluation Report? Would a PCNA suffice?	The document linked below provides guidelines for the Building Evaluation Report: Building Evaluation Report Guidelines . This document is also available within the online application system, on the Building Evaluation Report page. A standard Physical Needs Assessment should suffice, but the applicant should ensure that the guidelines in the document linked above are met.
Building Evaluation Report	DHCD's Building Evaluation Report Guidelines sheet includes a requirement to inspect 15% of total units. But for large projects 15% of units would be a very large absolute number of inspections required. To avoid inspection redundancies, Freddie Mac, for example, drops inspection requirements to 5% for very large rental communities because they are interested more in a material number of inspections as opposed to a percentage of total. Will DHCD consider following this reasonable precedent? The PCA we have for our submission property for our lender, Fannie Mae, required inspection of only 52 units (7.3%) in that report.	In order to sufficiently determine the interior and exterior conditions of the property, a minimum of 15% inspection of total units is required on all projects funded by DHCD.
Calculation of Eligible Units (1 Q&A)		
Calculation of Eligible Units	For Preservation Projects that presently have no official affordability restrictions but serve low income tenants, how will DHCD calculate the number of affordable/restricted units when considering an application for subsidy funds? i.e. if DCHD loans \$1,000,000 to a community with 500 units, how many of those units will be income-restricted, going forward?	A rent and income restriction (via an affordability covenant) will be applied to all units funded by DHCD through this RFP, regardless of the per-unit funding amount. If there are units with sufficient income to support their share of the project costs without assistance from DHCD, then an income restriction will not be applied to those units. DHCD funding is typically used for substantial rehabilitation or new construction projects, because using DHCD funds requires a long-term commitment to affordability from the owner/developer.
Cash Flow Loans (1 Q&A)		
Cash Flow	How does this work? Is the 80% paid	DHCD repayment is calculated based on the cash flow that is left after operating expenses, reserve contributions, and debt payments are subtracted.

Loans	to DHCD before any debt payments or is it calculated after debts are paid?	
Cash Flow Payment (1 Q&A)		
Cash Flow Payment	UPDATE FROM DHCD	For DHCD cash flow loans, owners will be required to pay 75% of annual project cash flow. The percentage originally published in the RFP was 80%. It has been changed to 75%. The posted <u>RFP</u> document has been updated to reflect this change.
Cash flow share to DHCD (1 Q&A)		
Cash flow share to DHCD	How will DHCD loans work with lenders who only allow sub. loans to be paid from 75% of surplus cash?	DHCD's loan policy is to be in either in a first or second position – normally in a 2nd position. The first trust lender's loan repayment is not affected by our 80% of cash flow repayment if we are in a subordinate position to the first trust lender. All other lenders are behind DHCD and must therefore secure their funds after DHCD's loan payment is paid. We don't see this as an impediment to financing submitted projects.
CBE Requirement (1 Q&A)		
CBE Requirement	Is there a requirement for CBE ownership as well as participation and if so what is the requirement?	SBE/CBE ownership is not a requirement.
CBE Requirements (1 Q&A)		
CBE Requirements	Prior year applications have required evidence of CBE participation on the project. I'm unable to find this in the online platform - is this embedded in a subsection or has this been eliminated entirely from the application?	In the Development Team Thresholds section of the online application (Section 11) you will list every member of the development team. On the electronic form used to describe each team member, there is a checkbox where you will indicate whether the entity is an SBE, and if it is, you will be prompted to provide the SBE number.
Clean Hands and Good Standing (1 Q&A)		
Clean Hands and Good Standing	The link to order the clean hands certificates states that the clean hands is formerly known as the certificate of good standing. The application requests a clean hands and a good standing certificate. Is there a now a difference?	<p>The Certificate of Good Standing is issued by the Corporations Division of the Department of Consumer and Regulatory Affairs (DCRA). The following link describes how to obtain a Certificate of Good Standing: <u>How do I get a Certificate of Good Standing?</u></p> <p>The Citywide Clean Hands certificate is issued by the Office of the Chief Financial Officer's Office of Tax and Revenue (OTR). Use the following link to obtain the required document: <u>Citywide Clean Hands (CCH) Compliance Check</u></p>
Combination Production & Preservation (1 Q&A)		
Combination Production & Preservation	We are in the unique situation of being both a preservation project and a production project -- we have an existing property serving low income individuals we intend to preserve, but we also intend to add additional units to serve low income individuals. The mix is about 2/3 preservation units and 1/3 new units. How should we designate our project in the Eligible Project Type? Similarly, can we use a weighted average of the construction cost limits for new construction and substantial rehabilitation?	Under Threshold Eligibility Requirement "1. Eligible Project Type," the following option has been added to the dropdown list: "Preservation and Production." Please use a weighted average of the construction cost limits for new construction and substantial rehabilitation.
Community Facilities/CDBG (1 Q&A)		
Community Facilities/CDBG	Do you know if the next NOFA will have funding for community facilities/community support grants either through community development block grants or otherwise? If so, is there any sense of when that NOFA will be issued?	DHCD has not determined which funding sources will be made available on the next NOFA, which is expected to be released in Quarter 1 of Fiscal Year 2016 (Oct-Dec 2015)
Compliance Forms (1 Q&A)		
Compliance Forms	<p>The following questions have been grouped and a single response issued:</p> <p>On page 39 of the RFP document it mentions that as part of the application DHCD requires each applicant to sign a Monitoring Certification form. When will this form be added to the online application so it can be uploaded?</p> <p>Will any of the compliance forms need to be uploaded to the online application (FHEO, Section 3, etc...)?</p>	<p>Certain compliance documents, such as those related to FHEO and Section 3, will now be requested by DHCD once a project is selected and is advanced to underwriting, rather than at the time of application. There is no longer a standalone section (similar to the former Exhibits Z-0 through Z-5) for compliance documents. Any compliance documents that are required at application, such as the Lead Safe Housing Addendum, are contained within other sections of the application. Applicants will be prompted to submit a signed Monitoring Certification Form immediately prior to application submission. The form is available at the following link:</p> <p><u>Monitoring Certification Form</u></p>
Confidential Financial Information (1 Q&A)		
Confidential Financial Information	Can we submit confidential financial statements in sealed envelopes instead of uploading them?	<p>DHCD prefers that you submit all documents through the secure online portal. If you prefer to submit confidential financial information separately in sealed envelopes, you may do so by sending a packet to:</p> <p>RFP Supplemental Documents Development Finance Division Department of Housing and Community Development 1800 Martin Luther King Ave. SE, 2nd Floor Washington DC 20020</p> <p>Please clearly identify the project and organization that the information pertains to, along with contact information.</p>
Contract Affidavit (1 Q&A)		
Contract Affidavit	Do you have a form for the Contract Affidavit? If so, where can I find the	The following link is available within the Online Application System: <u>Form of Contract Affidavit</u>

link?

Core Development Team Members (1 Q&A)

Core Development Team Members	The online application states - "Core development team members will be required to submit a Clean Hands, Certificate of Good Standing, and a D&B Business Information Report...". Please define which entities are Core Development Team members. Are they the Sponsor, Developer, Guarantor and Owner?	This requirement applies to team members in any of the following roles: Developer Applicant Owner Sponsor Guarantor Borrower Development Consultant
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Core Development Team Members - follow-up question (1 Q&A)

Core Development Team Members - follow-up question	A previous inquiry regarding who has to submit clean hands, Certificate of Good Standing, etc. yielded a response that stated that "this requirement applies to team members in any of the following roles: Developer, Applicant, Owner, Sponsor, Guarantor, Borrower, Development Consultant". However, in the online application, the only section that requests a Clean Hand Certificate to be uploaded is the Developer section. The Owner section does NOT specify this as a requirement. Please clarify based on this information.	In the Development Team section, if you identify an Entity/Organization as serving in the role of "Owner," you will be required to complete the Developer Experience section, where you will be prompted to upload these documents.
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D&B Number (1 Q&A)

D&B Number	When the application states "A Dun & Bradstreet (D&B) D-U-N-S Number must be entered for all development team members" does that mean everybody involved including the architects, GC, management agent, etc.? Or is it just for developers/borrowers/guarantors?	A Dun & Bradstreet (D&B) D-U-N-S Number must be entered for all development team members including the architects, GC, management agent, etc.
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D&B Report (1 Q&A)

D&B Report	For the D&B Reports, which level of report is required?	Business Information Report
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DBH-funded PSH units (1 Q&A)

DBH-funded PSH units	Do DBH-funded PSH units need to be Housing First and fill vacancies through the Coordinated Entry System?	DBH-funded PSH units must be Housing First, and vacancies will be filled through referrals from the Department of Behavioral Health (DBH)
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DC Draft FY 2016-2020 Consolidated Plan (1 Q&A)

DC Draft FY 2016-2020 Consolidated Plan	Request for Public Input	The DC Department of Housing and Community Development (DHCD) will host two public input events and release an online survey for residents to express affordable housing and community development needs in DC. These opportunities, along with two public hearings held in August 2015, will drive DHCD's Needs Assessment Analysis for its Consolidated Plan ("Plan") update. Click the following link for more information: DC Draft FY 2016-2020 Consolidated Plan
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DC LIHTC (1 Q&A)

DC LIHTC	<p>The following questions have been grouped and a single response issued:</p> <p>Is there a DC LIHTC credit as well as the Federal LIHTC and if so how do you apply for it?</p> <p>In addition to the Federal LIHTC credits is there an additional \$1M in DC LIHTC credits available for deals as reflected on Novogradac's website?</p>	DHCD has not begun to take applications for the DC Low Income Housing Tax Credit.
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DCHFA Application (1 Q&A)

DCHFA Application	<p>The following 5 questions have been grouped and a single response has been issued:</p> <p>Is DCHFA going to underwrite and provide letters on sizing development subsidy required from DHCD as in the past?</p> <p>Must we apply to DCHFA for bonds and 4s before we respond to this RFP? And receive a positive response from DCHFA?</p> <p>DCHFA has not provided inducement resolution until gap funding is committed. What have you worked out with DCHFA staff that will constitute some level of acceptance of feasibility short of an inducement</p>	For projects that intend to pursue financing from the D.C. Housing Finance Agency but have not yet applied, the sponsor/developer shall submit to DCHFA a preliminary Stage II application (one copy) on or before August 24, 2015. That application will not be considered an official application for DCHFA financing. DCHFA will issue a preliminary debt sizing memo as they have done in the past, which is what applicants should submit to DHCD with their full RFP application due on October 5, 2014. Once the sponsor/developer is prepared to submit the full Stage II application, they must submit to DCHFA the official Stage II application, with the appropriate number of copies and the application fee.
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<p>resolution?</p> <p>What gap sizing needs to be performed by HFA prior to app. submission? Will it be a Stage II binder 30 days prior again? What will the developer receive back from HFA confirming this review?</p> <p>Can our RFP response also serve as an initial DCHFA application if we are applying for LIHTC/ tax exempt bonds?</p>		
DCHFA Submission (1 Q&A)		
DCHFA Submission	How should we submit information to DCHFA? Electronically? One binder?	Please contact DCHFA for guidance.
Deadline for Applications (1 Q&A)		
Deadline for Applications	What is the deadline for submitting RFP responses? We did not see a specific time in the RFP - is the deadline 11:59 pm EST Monday, Oct 5?	The deadline for submitting applications has been extended two weeks, to 11:59 pm ET on October 19, 2015.
Deadline to Submit Questions (2 Q&AS)		
Deadline to Submit Questions	<u>UPDATE FROM DHCD</u>	The deadline to submit RFP-related questions is 11:59pm ET on Sunday September 20, 2015. This will give DHCD and partner agencies adequate time to issue any final guidance to applicants, with sufficient time for applicants to incorporate this guidance into their proposals prior to submission.
Deadline to Submit Questions	<u>REMINDER</u>	<p>The deadline to submit RFP-related questions is 11:59pm ET on Sunday September 20, 2015. This will give DHCD and partner agencies adequate time to issue any final guidance to applicants, with sufficient time for applicants to incorporate this guidance into their proposals prior to submission.</p> <p>Any questions that have already been submitted but have not yet received a response will be answered. They do not need to be resubmitted.</p> <p>DHCD will continue to accept and respond to technical questions related to the Online Application System, such as how or where to upload documents or any other troubleshooting concerns.</p>
Developer Fee (1 Q&A)		
Developer Fee	If you're doing a bond deal, can you get a waiver on the developer fee?	No. The maximum developer fee instructions apply to all projects.
Developer Fee Limits (1 Q&A)		
Developer Fee Limits	<u>UPDATE FROM DHCD</u>	<p>The hard cap on the maximum developer fee has been increased from \$3.5 million to \$4 million. The formula for calculating developer fee has not changed, but the absolute limit has been increased. No more than \$2 million in developer fees will be paid out of the development budget. Any allowable amount above \$2 million, up to an additional \$2 million will be deferred and paid out of net operating income.</p> <p>The posted <u>RFP</u> document has been updated to reflect this change. DHCD will not issue a new version of the Form 202, but applicants should edit their spreadsheets as necessary to accommodate this change.</p>
Development Team Additional Forms (1 Q&A)		
Development Team Additional Forms	<p>The following questions have been grouped and single response issued:</p> <p>When you go to add a Development Team Member in the application, it states, "Based on the role you identify for this team member, additional documentation may be required. If this is the case, you will be prompted for additional information upon saving this form." Is there a list of this additional documentation broken down by team role so that the developer can request those items now, along with the information for the first page?</p> <p>Previous NOFAs have included an Exhibit Checklist. One does not appear to be included with this PDF application (perhaps it shows up once you begin the online application process, but that is not evident at this point via the dashbord). Has one been provided with the NOFA? If so, can a PDF checklist be posted online for download?</p> <p>In the past there was a Toolkit where all of the supplemental documents were assembled, is there such a place for this RFP? Is there anywhere that lists what each stakeholder in the development needs to provide the team?</p>	The exhibit checklist has been replaced with the Online Application System. The requirements for each development team member will be displayed when a record is added in a specific role, for example, when you add a team member in the role of "Architect," the corresponding required documents will be displayed.
Development Team Members (1 Q&A)		
Development Team Members	Where is the full list of required documents for each Team Member, and the forms themselves?	<p>-----Updated Response</p> <p>The following forms are available for download through the online application system, embedded in the pages that correspond to specific development team members (i.e. developer, general contractor, management agent, etc.). Alternatively, you can download the same forms using the following links.</p> <p><u>Form of Contract Affidavit</u></p> <p><u>Form 203 Developer's Qualifications</u></p> <p><u>Form 209 Management Agent's Qualifications and Apartment Management Experience</u></p>

----- Original Response

Forms related to development team capacity will be available through the online application system by the end of the week. You will be able to access them on the same page where you list other characteristics about specific development team members, such as SBE and non-profit status, contact information, etc. Thank you for your patience.

DHCD debt in senior position (1 Q&A)

DHCD debt in senior position

Is DHCD willing to consider and/or interested in financing structures that propose DHCD in 1st mortgage position?

Yes.

DHCD fees (1 Q&A)

DHCD fees

Are there any application or compliance and monitoring fees besides those listed in the QAP? So if a project is not applying for LIHTC, there are no fees?

There are no application or compliance and monitoring fees for projects that do not apply for or receive LIHTC.

Disabled (1 Q&A)

Disabled

Are there higher subsidies for disabled people?

No. Subsidy amount is based on household size (or number of bedrooms) and household income.

Exhibit Z Waivers (1 Q&A)

Exhibit Z Waivers

Will any Exhibit Z Waivers be required to be uploaded to the application?

No. DHCD will not accept waiver requests.

Exhibits (1 Q&A)

Exhibits

The Projective Narrative Format refers to numerous exhibits, identified by letters. Where do I find these Exhibits and how do they get submitted? Also, is Exhibit L the same thing as 11. Development Team Thresholds? Thank you.

Please disregard all references to lettered exhibits. The online application system will make it clear where the referenced content is located. Most of these items (formerly, Exhibits K-P) are within the Development Team Thresholds section.

Feasibility of 50% AMI units (1 Q&A)

Feasibility of 50% AMI units

Have you done the analysis as to whether of not 50% gap funding of TDC is feasible while at the same time looking to achieve 30-50% of AMI?

Yes. Many projects currently in our pipeline achieve both objectives. For calculation purposes, leveraged sources may include equity from 4% Low Income Tax Credits, market rate debt supported by HUD or DCHA operating subsidies, deferred developer fees, and cross-subsidy from market rate units.

Feedback (1 Q&A)

Feedback

We want to hear any feedback you have about this year's RFP. If you have comments or suggestions related to the Online Application System, the content of the RFP, or the policy direction of DHCD's Development Finance Division, please submit your feedback through the following link:

[Leave Feedback](#)

File Size (1 Q&A)

File Size

42 MB PDF file does not want to upload. Have I exceeded maximum file size? Recommended work-around?

The Online Application System can receive files up to 100MB, but it may take several minutes for larger files to upload. Your browser may appear non-responsive, but the upload is likely still being processed. You may also choose to break the pdf into several smaller files, or compress it into a zip file. Please advise if the issue continues.

Final Application Submission (1 Q&A)

Final Application Submission

When the application is complete and all the documents uploaded will there be a submit button that uploads the application to DHCD and locks the account?

Yes. When you complete all the requirements, a "Review Application" button will appear. Clicking that button will take you a page that contains a "Submit Application" button. You will receive a confirmation message when your application has been submitted, and you will still be able to view (but not edit) your application and attachments.

Financial and economic feasibility (1 Q&A)

Financial and economic feasibility

What other info. will DHCD use to determine whether a project will proceed w/in 120-180 days?

DHCD will make its determination based on the totality of circumstances, documents, and information provided by the applicant, evaluated against the requirements of the RFP.

Financials (1 Q&A)

Financials

What if we don't do audited financial statements? We only have tax returns and internal prepared financials.

All applicants must provide audited financial statements for the prior 3 fiscal years of project operations, or if audited statements are not available, then 3 fiscal years of un-audited year-end financial statements AND 3 corresponding years of certified federal income tax returns of the project must be submitted.

Financials on file (1 Q&A)

Financials on file

In the RFP, it says that companies don't have to submit financial statements if our financial statements are on file with DHCD. How do we know if our financial statements are on file? If we submitted an application last year with financial statements, can we assume that our financial

Please submit financial statements with your application, even if you have applied on a previous RFP or have previously submitted financials to DHCD's Portfolio and Asset Management Division for other projects.

statements are on file?

Financing (2 Q&AS)

Financing	Can the loans be used to refinance an affordable project?	No.
Financing	How do you determine who gets the 0-3% funding. Are they determined by size of project or by an affordability ratio or by some other measure?	The interest rate is determined during underwriting and many factors can determine the rate. For the purposes of creating a pro forma, payments should be estimated as a percentage of cash flow, rather than an amortized amount that would factor in an exact interest rate.

Financing Fees (1 Q&A)

Financing Fees	What financing fees should we assume for HPTF or HOME Loans such as construction and/or perm loan fees and due diligence fees if any?	There are no financing fees associated with HPTF or HOME loans from DHCD.
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Financing Terms (1 Q&A)

Financing Terms	Could it be clarified that the 80% net cash flow repayment expected on the DHCD loan will be after payment of Investor Fee, Deferred Developer Fee and Seller Note for a project?	Deferred developer fees and seller notes may be paid out of cash flow ahead of DHCD.
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Five Year Consolidated Plan Hearing (1 Q&A)

Five Year Consolidated Plan Hearing	<u>UPDATE FROM DHCD</u>	<p>The DC Department of Housing and Community Development (DHCD) will hold a public hearing this Wednesday on the 2016-2020 Five Year Consolidated Plan for the District of Columbia. This will be an opportunity for you to help guide DHCD's policies and programs for the next five years.</p> <p>The hearing will be held on Wednesday, August 19, 2015 at the Martin Luther King Jr. Library located at 901 G Street, NW in Room A-5 at 6 pm.</p> <p>For more information or questions, please contact Booker Roary, Jr. at booker.roary@dc.gov or by phone at (202) 442-7203.</p>
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Form 203 for Owner (1 Q&A)

Form 203 for Owner	<p>The following questions have been grouped and a single response issued:</p> <p>Why is a form 203 required for the Owner? In many cases the property will be owned by an LLC with no staff or development experience. The developer will be the one with development experience.</p> <p>Although it has been clarified that a to be formed entity can be entered under Ownership Entity Information, full documentation looks to still be required under the development team thresholds section. Is it expected that information be entered here for the current owner, regardless of expected future ownership?</p> <p>If the borrower entity is a newly formed pass-through LLC with no operating or financial history, do they need all of the documentation listed in the Development Team Thresholds' "Developer Experience" section such as the Clean Hands cert, D&B Report, COGS, etc.? Or will this information for the Developer who controls this entity suffice?</p>	<p>The Online Application System has been modified so that if a team member is identified in the role of "Owner," the applicant will be asked, "Is this entity an LLC or LP formed (or to-be-formed) for the sole purpose of owning the development proposed in this application?" If Yes, certain documents listed in the Required Documentation section may not be relevant or available for this organization and are not required.</p>
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Free Cashflow (1 Q&A)

Free Cashflow	Paying 80% of annual project cash flow to DHCD seems a bit excessive. What is the justification behind the 80%? There is no way smaller businesses and non-profits can sustain themselves after making such contributions to DHCD. Not to mention the risk being taken by the developer not consummate with the fact that such asset has be held for 15 years. A 30% share of cashflow is more in line with market.	For DHCD cash flow loans, owners will be required to pay 75% of annual project cash flow. The percentage originally published in the RFP was 80% . It has been changed to 75%.
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Funding Sources (1 Q&A)

Funding Sources	Are any of the Funding sources grants or are all the sources loans?	Of the funding sources listed under the Development Subsidy section of the RFP, the Department of Behavioral Health (DBH) grant is the only funding source that is offered as a grant. HPTF and HOME funds are offered as loans. Applicants that apply for a DBH grant should be aware of the specific requirements (detailed in the RFP) associated with DBH funding.
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Green Building (3 Q&AS)

Green Building	Aside from greenbuilding, are there any additional design standards required?	There are UFAS standards related to accessibility of units and common areas. Additionally, certain standards regarding historic preservation are in place in particular neighborhoods.
Green Building	The 2015 Intended Checklist and the Charette Documentation have been uploaded to the application; however the box is not checked reflecting that it is complete. Is there an issue with the application?	The Green Design and Building item should now display a checkbox/complete after all requirements have been met.

Green Building	Could the agency please clarify whether or not projects that have filed for a building permit on or before the date DCRA rolls over to the 2015 Green Communities Criteria can utilize the 2011 criteria? DCRA indicates that projects may do so from a Green Building Act perspective, but the 2015 Green Communities Requirement is being driven by DHCD.	In order to be eligible for DHCD funding through this RFP, projects must certify to the Enterprise 2015 Green Communities Criteria or a substantially similar standard.
Green Building Requirements (5 Q&As)		
Green Building Requirements	<p>1. I understand applying green requirements to new construction. There are opportunities to go green when starting from scratch, but what about existing projects?</p> <p>2. What if our DHCD-funded renovations just repaint hallways, for example. Are we subject to green requirements there? Or elsewhere?</p> <p>3. What if we replace 20% of unit windows due to deficiencies? Are we required to replace them w green windows? What about the 80% of windows we don't touch?</p> <p>4. What if we replace all the roofs? What are green requirements there for that project?</p> <p>5. Im trying to determine if green requirements are limited to the work we do? Or if green requirements on other aspects of the property are required/triggered if we accept DHCD money?</p> <p>6. How do we start the green-ing process officially? Do we need to register with/apply to Enterprise somehow (I seem to recall something being mentioned to this affect at the RFP kick-off?)</p>	<p>1. The green building standard for residential projects is 2015 Enterprise Green Communities Criteria. Green Communities Criteria accommodates new construction, as well as substantial and moderate rehabilitation.</p> <p>2. The Green Building Act of 2006 requires that residential projects that are 10,000 square feet or more and that receive 15% or more public financing meet green building standards, namely 2015 Green Communities Criteria. It would be unusual to seek public financing solely for interior painting, but if, in fact, the scope of work is limited to repainting hallways, the project would be guided by the Materials section of Green Communities Criteria, in particular 6.1 Low/No VOC Paints, Coatings and Primers. The same would be true for other limited scopes of work, that Enterprise Green Communities would serve as the standard for that limited area.</p> <p>3. The 20% of windows should be replaced in a fashion that enhances overall building performance by minimizing thermal exchange. Green building standards do not necessarily require an enlarged scope of work. Refer to the 2015 Enterprise Green Communities Criteria and District of Columbia's building codes for additional guidance.</p> <p>4. Refer to the 2015 Enterprise Green Communities Criteria and District of Columbia's building codes for additional guidance.</p> <p>5. The Green Building Act of 2006 requires that residential projects that are 10,000 square feet or more and that receive 15% or more public financing meet green building standards, namely 2015 Green Communities Criteria. Green building standards do not necessarily require an enlarged scope of work. Refer to the 2015 Enterprise Green Communities Criteria and District of Columbia's building codes for additional guidance.</p> <p>6. Please see the Green Communities Criteria resource page, which includes helpful information on the standard and the process: http://www.enterprisecommunity.com/solutions-and-innovation/enterprise-green-communities/criteria. To be considered eligible for funding product teams must demonstrate that they have registered their project with Enterprise Green Communities Criteria using the 2015 standard, held and Integrated Design and Goal Setting Charrette, and, completed a 2015 Enterprise Green Communities Intended Methods Checklist within the online portal. More detailed instructions are included within the RFP.</p>
Green Building Requirements	<p>I am preparing to submit an application to DHCD through this year's RFP and have a question related to the Green Design and Building requirements. The building that I work with is a limited equity Cooperative that was a TOPA project and they are applying for funds to renovate their building. I see that the requirements show that we must have a Green Charette and also submit proof of 2015 Enterprise Green Communities Step 1 Pre-Build Certification.</p> <p>1. Does the project have to be finished with the certification or can they have just started the process and completed the checklist?</p> <p>2. One of the items needed for the certification is the HERS rating- can we show that we have a proposal for that and will be completing that OR does this report already need to be completed?</p>	<p>1. To be considered eligible for funding, project teams with residential projects must demonstrate that they have held an integrated design and goal setting charrette (see http://www.enterprisecommunity.com/solutions-and-innovation/enterprise-green-communities/resources/charrette-toolkit) and that they have registered with their project with Enterprise Green Communities Criteria using the 2015 standard (see http://www.enterprisecommunity.com/solutions-and-innovation/enterprise-green-communities/criteria) and completed the Intended Methods Checklist within the online portal.</p> <p>2. The Enterprise Green Communities Criteria Building Performance Standard differs if your project is new construction, substantial or moderate rehabilitation. If a HERS Index Score is required as part of your certification pathway, it will need to be obtained before the project obtains certification with Enterprise Green Communities. Ultimate certification will be obtained following receiving funding for your project. Should you need additional guidance, please see the 5. Energy Efficiency section in the 2015 Enterprise Green Communities Criteria (http://www.enterprisecommunity.com/servlet/servlet.FileDownload?file=00P1400000dKEiEAG)</p>
Green Building Requirements	We have two projects have already been designed and have permit-ready plans and specs and align with the 2011 Enterprise Green Communities Criteria. Can we use the 2011 Enterprise Green Communities Criteria or do we need to use the 2015 Enterprise Green Communities Criteria.	You must use the 2015 Enterprise Green Communities Criteria, unless you establish a qualifying "interaction with the District" as defined in the Green Building Act (2006). Please see the full citation within the RFP. In addition, please be sure your plans and specs align with all DC building codes.
Green Building Requirements	How is "15% of total cost" calculated when determining whether green requirements are expected to be met for existing/preservation projects? What is considered "total cost" of the project? Is it the amount of funding against total capital?	<p>According to the Green Building Act of 2006, "Total project cost" means the total of: a) hard construction costs, b) site acquisition costs, provided that a site was acquired within 2 years of first building permit application, and c) soft costs, provided that the soft costs shall not exceed 25% of the hard construction cost. 15% of total project cost is then calculated, and if a District agency or District instrumentality is financing 15% or more of the total project costs, then the project is subject to green building requirements.</p> <p>In more general terms, we have seen very few instances where public financing constitutes less than 15% of a project's total costs.</p>
Green Building Requirements	For the purposes of the Green Building Act, how is "total cost" calculated for a preservation project that was purchased 5 or 10 or 20 years ago?	If the project was acquired more than 2 years ago, then "total cost" equals the sum of the hard and soft costs budgeted to complete the proposed scope of work. For example, if an applicant proposes a \$1 million renovation and receives at least 15% in public financing (\$150,000), then the entire project must be certified by Enterprise Green Communities or LEED. DHCD funding is best suited for substantial rehabilitation or new construction projects, rather than minor renovations.
Green Communities (1 Q&A)		
Green Communities	Enterprise has not updated all of toolkit forms from the 2011 to the 2015 standards. Can we use the 2011 forms?	Enterprise's charrette toolkit forms online still are dated 2011. To be clear, projects must be certified using the 2015 Enterprise Green Communities Criteria. To avoid any confusion, please use the forms within the RFP itself and within the online certification platform which are properly dated and customized for the 2015 Enterprise Green Communities Criteria.

Green Communities Criteria (3 Q&AS)		
Green Communities Criteria	If a project has gone through the design process to meet previous Green Communities standards, would DCRA approval to use 2011 criteria be required and acceptable?	No. All projects must certify to the 2015 Green Communities Criteria. There are certain exceptions such as PUDs or other zoning actions that may grandfather a project to an earlier standard; please see the Green Building Act (citation included in RFP) to determine if your project falls in one of these categories.
Green Communities Criteria	Will you fund projects seeking limited improvements that don't directly trigger green criteria?	Enterprise Green Communities Criteria accounts for moderate rehabilitation, as well as substantial rehabilitation and new construction. You may wish to consult DCRA's Green Building Division in advance of submitting your application to confirm the level of construction and whether it is considered moderate rehabilitation.
Green Communities Criteria	UPDATE	<p>If your project intends to certify using Enterprise's 2015 Green Communities Criteria and you have not yet generated your Intended Methods pdf, please follow this guidance posted by Enterprise on their site:</p> <p><i>NOTE: If you are responding to the request for proposals (RFP) due October 19 for the the District of Columbia Department of Housing and Community Development (DHCD), please follow the below instructions.</i></p> <p><i>*On the Intended Methods tab, there is no longer a "Create PDF" button. Instead, please select "Points Report."</i></p> <p><i>*This will generate a downloadable Excel file.</i></p> <p><i>*Please create a PDF of the Excel "Points Report" and submit as part of your RFP.</i></p>
Homeownership (8 Q&AS)		
Homeownership	<p>The following questions have been grouped and a single response has been issued:</p> <p>Is HPTF available for workforce home ownership developments?</p> <p>For townhome projects that are being offered for sale, do the same 0% - 30%/31% to 50% AMI requirements apply for DHCD funding or can the AMI go up to 80% so the buyers can qualify for a mortgage to purchase the home?</p> <p>Are the same income guidelines (<50%) applicable to homeownership units?</p>	Funding is available for homeownership developments. Homeownership projects are subject to the same income requirements as rental projects. Applications may propose new homeownership units serving households earning up to 50% of AMI.
Homeownership	Some of the scoring is not applicable to a for-sale housing project. How does that affect the project's chance of getting funded?	DHCD will compare the percentage of total possible points obtained (rather than raw scores) across projects. Scoring criteria that does not apply to a specific project type, such as for-sale housing, will not be factored into the calculation for those projects.
Homeownership	At the July 6 HPTF meeting it was noted in the minutes that the Urban Report looked at a list of projects from 2011 to 2014 and determined the cost to build homes is \$283,600. If that's the cost why is the AMI for homeownership also being limited to 50% AMI or less which translates to a maximum purchase price for a 3BR townhouse at \$206,000 vs. \$350,100 at 80% AMI.	For both rental and for-sale housing, the maximum rent or purchase price is driven by the incomes of the households DHCD seeks to serve. Through this RFP, DHCD seeks to serve households earning no more than 50% of AMI, because that is where the need is the greatest and it is the target mandated by the Housing Production Trust Fund statute. If the purchase price that is affordable to these households is less than the cost to build a new home, DHCD offers gap financing to developers to cover the deficit. Providing that gap financing in exchange for affordable housing is the fundamental purpose of this RFP. If there is no budget gap, then the project would not need/qualify for DHCD financing.
Homeownership	In your response to Homeownership you state that the price schedule listed in the Maximum Rent and Maximum Purchase Price does not represent a final determination of the maximum sales price. What other factors dictate the final sales price for underwriting purposes?	The maximum sales price for homeownership units will depend on the Area Median Income at the time of the sale, which in most cases will be at least two years from now. The prices listed in the price schedule currently posted are an indicator of what future prices may be and will be used for underwriting purposes, but are not a final determination of the price for which units may ultimately be sold.
Homeownership	For homeownership units since they are capped at 50% AMI should we assume they will be using downpayment assistance from DHCD? If so where can we find the information and requirements for downpayment assistance?	<p>-----Updated Response</p> <p>The link below has been updated for 2015.</p> <p>-----Original Response</p> <p>For guidance on pricing homeownership units, applicants can look to the Inclusionary Zoning Program's Maximum Rent and Purchase Price Schedule, which calculates maximum purchase prices for multi-family and single-family homeownership units for households earning 50% of AMI and below. Applicants should be aware that this price schedule does not represent a final determination of the maximum sales prices to which your projects will be subject. Some buyers may be eligible for DHCD's Home Purchase Assistance Program (HPAP).</p>
Homeownership	In response to the question if the same 50% AMI standards apply to homeownership units your response was yes and you referenced the Maximum Rent and Purchase Price Schedule for the Inclusionary Zoning Affordable Housing Program which reflects information based on 2013 Washington Area Media Income Information. Has this information been updated for 2015 in terms of the maximum purchase price?	<p>The Inclusionary Zoning Affordable Housing Program 2015 Maximum Rent and Purchase Price Schedule is available at the following link: Maximum Rent and Purchase Price Schedule.</p> <p>Homeownership projects should use this as a guide for estimating the maximum sales price for their 50% AMI units.</p>
Homeownership	PSH units are not applicable for homeownership projects. Will this cause an error message when its time to submit the final application?	In the Project Description section, please identify your project as homeownership. This will allow you to submit your new construction project application without PSH units.
Homeownership	The 202 is not designed for homeownership projects. There are no rents, expenses, tax credits et... Will this create a problem/error messagewhen the application is submitted?	In the Project Description section, please identify your project as homeownership. This will allow you to submit your application without information on income, expenses, and rents. Please modify the MS Excel Form 202 as necessary to fit your homeownership scenario.
Homeownership / PSH (1 Q&A)		
Homeownership / PSH	Do homeownership (townhomes) developments also have to set aside 5% of the development for PSH residents or does that requirement	The PSH set-aside requirement does not apply to homeownership projects.

only apply to rental units?		
Housing Voucher Choice Program (1 Q&A)		
Housing Voucher Choice Program	Is there a maximum limit of vouchers per project and if so what is the maximum limit?	There is no maximum limit.
HPTF Loan Recordation Tax Exemption (1 Q&A)		
HPTF Loan Recordation Tax Exemption	Does the District's 1.45% recordation tax apply to HPTF financing of 100% affordable projects? If it does, is it possible to seek an exemption or refund of the recordation tax post loan closing?	The District's recordation tax applies to DHCD-funded projects, and it is not possible to seek an exemption from or retroactive refund of the tax.
HPTF Requirements (1 Q&A)		
HPTF Requirements	The Introduction section of the RFP states that at least 40% of HPTF funding must go to assist households earning no more than 30% of the Area Median Income, an additional 40% must be dedicated to households earning no more than 50% of AMI, and no more than 20% of the funds can be used for households earning between 51-80% of AMI. Does that mean that a project cannot exclusively serve households at 80% AMI?	The requirement cited is from the Housing Production Trust Fund (HPTF) statute and it applies to the entire portfolio of projects that DHCD finances in a given Fiscal Year. The 40%/40%/20% split is not a requirement of individual projects. A Preservation project that serves existing tenants all earning between 51-80% of AMI would still be eligible for funding through this RFP. Any new units produced, either through rehab of vacant units or new construction, must serve households earning no more than 50% of AMI in order to be eligible for DHCD funding.
Incentive Management Fees (1 Q&A)		
Incentive Management Fees	<p>The following questions have been grouped and a single response issued:</p> <p>Are Incentive Management Fees permitted as a payment to arrive at Cash Flow before the 80% payment to DHCD?</p> <p>The NOFA states that DHCD loan will be structured to be repaid from 80% of cash flow. Where in the cash flow waterfall do you expect this payment? Developers have ongoing costs (asset management, resident services, and accounting) that are typically covered through property cash flow often in the form of an incentive management payment. It will be very difficult to cover these costs should the DHCD payment be in a priority position to these costs.</p>	Cash flow can first be used to repay any deferred developer fee on the project. DHCD is the next position in the cash flow waterfall. Cash flow cannot be diverted with Incentive Management Fees, and such fees are allowable so long as they are calculated based on the cash that remains after payment to DHCD. Standard management fees, including asset management, accounting, and resident services, can be paid out of the project's operating budget.
Inclusionary Zoning (1 Q&A)		
Inclusionary Zoning	Can we use the same units to comply with PSH and IZ requirements (if we have 5 PSH units, can 2 of those also be IZ units)?	Affordable units funded through this RFP (PSH or otherwise) may, in effect, be used to satisfy the Inclusionary Zoning requirement for a project. DHCD-funded projects that set aside affordable units with gross square footage greater than or equal to the amount required under IZ are exempted from Inclusionary Zoning through a regulatory process in which DHCD issues an exemption letter that the developer submits to DCRA along with their Certificate of Inclusionary Zoning Compliance (CIZC). This authority is granted by Section 2602.3(f) of the zoning regulations, which states, "any development financed, subsidized, or funded in whole or in part by the federal or District government and administered by DHCD, the District of Columbia Housing Finance Agency, or the District of Columbia Housing Authority and meets the requirements set forth in § 2602.7 is exempt from the requirements of 11 DCMR Chapter 26."
Income Limits and Rents (1 Q&A)		
Income Limits and Rents	Will DHCD HPTF Income limits and rents be updated with 2015 AMI? The RFP has 2014 numbers.	The 2015 HPTF Income and Rent limits are available here . The RFP posted online has been updated to include these numbers. Proposed rents should not exceed the numbers listed in the linked table, except for units with operating subsidy, in which case the contract rent cannot exceed the guidelines established by DCHA and/or HUD.
Information about "drug trade in neighborhood" (1 Q&A)		
Information about "drug trade in neighborhood"	Under the Site Description section of the Project Narrative Format document provided in the RFP, it's stated that if applying for DBH funds, applicants should provide information regarding the drug trade in the neighborhood. Can the Department provide guidance on where applicants would obtain statistics on this? Most crime data does not specify drug arrests, so measuring this sort of activity has proven difficult.	DHCD and DBH understand that this data may be limited. The MPD CapStat team may be able to drill down on the neighborhood crime statistics, or you may wish to inquire regarding other metrics available from MPD that are more specific.
Intended Methods (1 Q&A)		
Intended Methods	Your prior answer states we should now create a pdf version of the Points Report. Do we also still have to attach the executed signature page as well?	Yes.
Lead (1 Q&A)		
Lead	If a building has completed a process with Lead Safe Washington would that building be classified as a Lead Free Building on this application?	The Lead Safe Washington (LSW) program removes all Lead-based paint hazards, rendering the property Lead Safe. The LSW program does not do complete Lead-based paint abatement, which would render the property Lead Free.

Lead Assessment (2 Q&As)		
Lead Assessment	Where do I find the format for the Lead Assessment?	Further guidance related to Lead-Safe Housing requirements has been added to the online application system, under the Threshold Eligibility Requirement section that is now titled, "8. Phase I and Lead-Safe Housing Addendum."
Lead Assessment	Is a 3rd party HUD standard Lead Assessment required for RFP? Or is Phase I adequate?	If the property includes an existing improvement a Lead Assessment and related documentation must be included in the application (unless the improvement is or will be exempt from lead regulation via age or usage). A Phase I alone is not sufficient. Further guidance related to Lead-Safe Housing requirements has been added to the online application system, under the Threshold Eligibility Requirement section that is now titled, "8. Phase I and Lead-Safe Housing Addendum."
Lead Safe Housing Addendum (1 Q&A)		
Lead Safe Housing Addendum	Under the Lead Safe Housing Addendum there are several attachments needed. Is there a template for the Temporary Safe Housing Plan or Occupant Protection Plan? There is also an attachment needed called Selected Lead Hazard Reduction- if we plan to remove the lead as part of the construction how do we show that?	<p>DHCD does not have template for the template for the Temporary Safe Housing Plan or Occupant Protection Plan. The Lead Safe Housing Requirements document indicates the following:</p> <p>The content of the Temporary Safe Housing Plan will include the following:</p> <ol style="list-style-type: none"> 1. Number of units occupied and names of heads of household. 2. Number of units with children under the age of eight, and a list of the children's names. 3. Procedures to address the requirements of Appendix B. 4. Schedule, including length of temporary move and phasing of lead-related work. 5. Cost Estimates. <p>Regarding the Occupant Protection Plan, 40 CFR 745 (§ 745.227) provides the following guidance:</p> <p>(5) A written occupant protection plan shall be developed for all abatement projects and shall be prepared according to the following procedures:</p> <p>(i) The occupant protection plan shall be unique to each residential dwelling or child-occupied facility and be developed prior to the abatement. The occupant protection plan shall describe the measures and management procedures that will be taken during the abatement to protect the building occupants from exposure to any lead-based paint hazards.</p> <p>(ii) A certified supervisor or project designer shall prepare the occupant protection plan</p>
Lead Safe Housing Addendum Section (1 Q&A)		
Lead Safe Housing Addendum Section	Under threshold criteria, the RFP lists a Phase I that includes the following language, "If the property includes an existing structure that will not be deemed exempt due to age or usage, applicants must also submit a lead assessment" along with a narrative plan of action and budget for remediation. However, in the "Lead Safe Housing Addendum" section of the Application, there are many other "required" documents to complete and upload for occupied properties. What documents will be required at the time of application submission?	The Online Application System will ask you a series of questions about your project to determine whether your project is exempt. Based on your responses, a list of required attachments will be displayed.
LIHTC ownership (1 Q&A)		
LIHTC ownership	If a project contemplates an LIHTC transaction, does the LP or LLC need to be formed before submission of the application? or can the ownership name on the ownership info tab be listed as "To Be Formed"?	The LP or LLC does not need to be formed prior to application submission. The ownership name on the ownership info tab can be listed as "To Be Formed."
LIHTC ownership follow-up question (1 Q&A)		
LIHTC ownership follow-up question	As a follow-up to the question about utilizing a "To Be Formed" LIHTC entity -- we own the property identified in our application. If awarded tax credits, we will transfer it to an LIHTC entity. Do we need to structure a P&S agreement at this time to reflect this structure or can the Deed and a narrative description suffice? If we can utilize a "To Be Formed" entity, we assume we do not need a P&S - please confirm.	The deed will suffice as evidence of site control.
Loan Term (1 Q&A)		
Loan Term	What are the loan terms? Or is it a Grant?	The loan term is 40 years with 0-3% interest. It is not an amortizing loan. Loan payments are made annually, with 80% of the project's available cash flow due to DHCD.
LRSP (1 Q&A)		
LRSP	We have an existing LRSP contract that we would like to modify as a part of our DHCD application, who should we contact at DCHA to discuss?	Yes, please contact DCHA to discuss.
Management Agent Financials (1 Q&A)		
Management Agent Financials	Since our 3rd party management company is a large firm that operates in many states and they are completely unrelated to the sponsor/applicant/developer/guarantor in that there is no identity of ownership, can we provide the management company financials directly to the DHCD underwriter later in the process if needed, as opposed to submitting these statements now through the online portal?	Applicants have the option to submit an application without having selected a Management Agent. Similarly, applicants may identify a management agent and provide only partial documentation at the time of application. In both scenarios, the application's score will be negatively affected.
Market Study (1 Q&A)		

Market Study	We have a market study currently in the works, however it is based on a unit distribution serving 60% AMI households. In the interest of time, could we submit this market study for the RFP even though it doesn't comport with the <50%AMI/5% requirements and simply update it at a later time as we move forward in the process?	The market study must reflect that project characteristics (e.g. unit mix) that are proposed to DHCD at the time of application.
Maximum Loan Amount (1 Q&A)		
Maximum Loan Amount	In the section on "Subordinate Debt Service Financing" in the RFP, it states, "Generally, the DHCD loan (from all sources) may not exceed \$2.0MM." Can you please expand on this?	The maximum loan amount of \$2 million is a policy that DHCD had in the past. It is no longer in effect. That statement was included in the RFP as an oversight, and it has been stricken from the updated RFP text. There is no maximum DHCD loan amount for projects funded through this RFP.
More than one financing scenario an option (1 Q&A)		
More than one financing scenario an option	In previous years the RFP indicated that applicants could submit more than one financing strategy if they thought multiple strategies were viable — is that acceptable under this RFP? If yes, we assume that we would submit an individual 202 form and related financing source letters for each scenario. We assume we would also describe each scenario in our narrative and make any other specific notes on other tabs as needed (for example - ownership will be an LP or LLC if LIHTC involved, but just nonprofit owned if not LIHTC). Can you confirm if our assumptions are correct or clarify what would be required for each scenario?	Correct. Applicants may submit more than one financing strategy. For example, projects that request 9% LIHTCs as the preferred financing approach may also submit a backup Form 202 requesting HPTF/HOME gap financing. Any nuance that cannot be captured in the online application system forms should be described in the project narrative or another appropriate section or attachment.
Non Profit Participation (1 Q&A)		
Non Profit Participation	Is Non-Profit Participation required?	Projects with a non-profit partner will earn 2 points under Prioritization Scoring item #3 in the Scoring Criteria section of the RFP. Please refer to the text of the RFP for more specific guidance. This is not a Threshold Eligibility Requirement, and a 0 score on this item will not result in disqualification. The original RFP erroneously stated: "1 point = A non-profit organization has a significant partnership role in this project." The statement has been updated to read, "2 points."
Number of Submissions (1 Q&A)		
Number of Submissions	How many submissions can one person complete?	One applicant may submit multiple proposals. There is no limit.
Online System Function (1 Q&A)		
Online System Function	Before the application is submitted, how do we delete a file that we have uploaded? If we cannot delete, can we write over it by uploading a new file with the same name of the one that was previously uploaded?	There should be a pencil icon to the left of every attachment that you upload. Click this icon to edit the attachment. On the next screen there is a red "X" in the upper right hand corner of the page that you can click to delete the attachment. Alternately, on that same page, you can override the attachment by uploading a new document in place of the original.
Operating Expense & Replacement Reserves (1 Q&A)		
Operating Expense & Replacement Reserves	Is the Expense cap of \$5,500 to \$6,500 inclusive or exclusive of replacement reserves?	The operating expense range provided by DHCD includes replacement reserve contributions.
Outside Consultants (1 Q&A)		
Outside Consultants	The following questions have been grouped and a single response issued: Does DHCD plan to use outside consultants to review or underwrite applications? Is DHCD using outside consultants for preliminary underwriting?	No. All phases of underwriting will be conducted by DHCD staff.
Ownership Entity Information (1 Q&A)		
Ownership Entity Information	If applicant is an LLC we will provide information for the Managing Member, but do we have to provide information on the Minority Percentage Member?	Yes.
Ownership Entity Principals (1 Q&A)		
Ownership Entity Principals	Although we are applying as a nonprofit corporation, the Ownership Entity Info section is requiring that we list the principals with an ownership interest in the entity. To satisfy this, I entered the information of the organization's President, Vice President, and Secretary. However, it then required that I assign an ownership percentage to each of	A "not-for-profit" checkbox has been added to the section of the Online Application System that you reference.

these individuals. Are you able to alter this requirement so that this section is shown as complete without us having to enter details that are not applicable to us?

Permanent Supportive Housing (1 Q&A)

Permanent Supportive Housing

Is this a correct statement: If the application is for the acquisition/renovation of an existing, occupied property there is no requirement to provide Permanent Supportive Housing.

Correct. As long as the project proposes to do an in-place renovation or bring back existing tenants who are temporarily relocated (and want to return). If the plan is to permanently relocate existing tenants and lease the property to a new population, then the PSH set-aside requirement would be triggered. Also, if the project proposes a significant expansion that would create new units, then the 5% PSH set-aside requirement would apply to the new units.

Permanent Supportive Housing (PSH) Workshop (2 Q&As)

Permanent Supportive Housing (PSH) Workshop

EVENT ANNOUNCEMENT

Please join us for a lively networking opportunity and discussion on Supportive Housing. Topics will include coordinated entry and housing first. There will also be time for Q & A so that developers and service providers can seek guidance and clarification.

Date: Friday, September 18, 2015

Location: DHCD Housing Resource Center, 1800 Martin Luther King Jr. Ave SE, First Floor

Time: 3:00 pm - 4:30 pm.

Add to Calendar

For additional information please contact dhcdevents@dc.gov or call Booker Roary at (202) 442-7207.

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Supportive Housing

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No RSVP Required

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dhcdevents@dc.gov or call Booker Roary (202) 442-7203



Permanent Supportive Housing (PSH) Workshop

UPDATE FROM DHCD

DHCD, DHS, DBH, DCHA, and The Community Partnership for the Prevention of Homelessness (TCP) held a Permanent Supportive Housing (PSH) workshop on Friday September 18, 2015. The following attachments were distributed or presented to workshop attendees:

Agenda and Attached Handouts

A court reporter transcribed the meeting and the full transcript will be distributed as soon as it is available.

Permanent Supportive Housing PSH (1 Q&A)

Permanent Supportive Housing PSH	Does Permanent Supportive Housing (PSH) have a commitment period?	The Permanent Supportive Housing commitment period depends on the funding sources awarded to the project, and will last the duration of the longest compliance period associated with the project. Unless a project requests not to be considered for Housing Production Trust Fund funding, then the applicant should assume that the PSH commitment period will be 40 years (subject to appropriations for operating subsidies and supportive services funding).
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Personal Financial Statements (1 Q&A)

Personal Financial Statements	Are 3 years of tax returns also required for individuals who are providing 3 years of unaudited financial statements or is this an entity requirement?	The same requirements apply to individuals and corporations.
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Pre-Review of Draft Proposals (1 Q&A)

Pre-Review of Draft Proposals	<p>The following questions have been grouped and a single response issued:</p> <p>Will there be access to reviewers/consultants for pre review or questions of the draft proposal?</p> <p>In prior years, applicants could request a meeting with DHCD staff to preview the project and secure DHCD feedback. Is DHCD available for these types of meetings this year? If yes, who would an applicant contact to schedule?</p>	No. This RFP is an open and competitive procurement process and it would be improper for DHCD staff to provide personalized guidance to prospective applicants. DHCD will only provide RFP-related guidance through this publicized Q+A forum.
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Preservation (2 Q&AS)

Preservation	How does DHCD define Preservation Projects?	As stated on Page 10 of the RFP: Preservation = Funding for the acquisition and rehabilitation of existing, occupied housing with at least five units, where affordability will be preserved for existing low-income tenants at any income level no greater than 80% of AMI. •The property may have an existing and expiring affordability deed-restriction, or it may currently be a market-rate project that provides housing to low-income tenants. •To qualify as a Preservation project in this RFP, the goal of the project must be to upgrade the housing quality for existing low income residents and commit to long-term affordability. •Projects that renovate existing buildings to create housing for new residents will be subject to the requirements for Production projects.
Preservation	Does a current affordable building that is going to go through an upgrade need a Development budget and sources and uses from the original development or only from the upgrade amounts?	The development budget and sources and uses should just be for the current project scope, which in the scenario described, would cover only the upgrade amounts.

Preservation Definition (1 Q&A)

Preservation Definition	If you knock an occupied building down and build a new one for the current residents – are you a preservation project?	If the project is rebuilt with the same number of units, then it would be treated as a preservation project. If the reconstructed building has more units, then any net new units seeking DHCD funding would be treated as production (i.e. they would have to be reserved for households earning no more than 50% of AMI and 5% must be set-aside as PSH). The same applies to preservation plus expansion projects that do not include demolition.
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Private Lenders (1 Q&A)

Private Lenders	Will private lenders need to provide approval for 100% funding with the understanding this program may provide 49% (or more) upon proposal award?	Applicants should seek to maximize commitments from private lenders for the project as-proposed to DHCD (i.e. with rent and income restrictions). If a project is eligible for DHCD financing, there will be a gap between the private debt and equity the project can support and the total development cost, so DHCD does not expect the private lender to approve 100% funding.
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Project eligibility (1 Q&A)

Project eligibility	Preservation Project eligibility requirements in the RFP state that goals for subsidy funds should include "upgrading the housing quality for existing low income residents." Do common area or site improvements qualify? are unit-specific improvements viewed more favorably by DHCD?	It is very rare that DHCD would make a loan only for common area or site improvements, without any unit-specific upgrades. Common area or site improvements are eligible for funding if the project is 100% Low Income. If it is less than 100% Low Income, the cost of the common area and site improvements will be prorated in accordance with the ratio of Low Income to Non Low Income units.
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Proportions for Total Funding (1 Q&A)

Proportions for Total Funding	What are amounts/proportions of HOME/HPTF Funds on offer?	DHCD has not stated the exact amount available from each funding source offered through this RFP. However, the total amount available in development subsidy, including the present value of competitive tax credits offered, is estimated to be greater than \$100 million. Although the entire FY16 appropriation amounts are not being made available through this RFP, they may serve as a useful reference: \$100 million in new HPTF revenue has been budgeted for FY16 and DHCD's annual federal allocation of HOME funds is approximately \$4 million.
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PSH (1 Q&A)

PSH	Our project is predominantly a preservation project serving households under 30 percent of AMI, however we are also planning to produce new units of housing by reconfiguring the interior of our building. Given that the majority of this project is preservation, are we still required to meet the 5% PSH threshold because we will be producing new units of housing within an existing building structure and with an existing tenant population? We run a very lengthy waiting list of	Any net new addition to your project would be subject to the PSH requirements.
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individuals whose incomes fall well short of 30 percent of AMI; we plan to continue serving this population within our existing service overlay.

PSH - DBH Units (1 Q&A)

PSH - DBH Units

Will the DBH units also be filled through the Coordinated Entry System or directly by DBHA as referenced on page 32 of RFP ?

DBH units will be filled through referrals from the Department of Behavioral Health (DBH), not through the Coordinated Entry System.

PSH and UFAS (1 Q&A)

PSH and UFAS

If your project's standard UFAS requirement is 6 UFAS units, can your 20% bonus points PSH/UFAS units be reserved/set aside out of those 6 units for PSH/UFAS? Or would the PSH/UFAS have to be in addition to that 6?

To achieve prioritization scoring points, 20% of the PSH units must meet the UFAS standard for Full Accessibility. In addition, the standard Accessibility requirements apply to the non-PSH portion of the project.

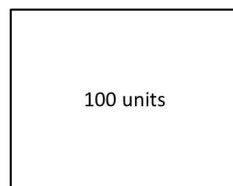
PSH and UFAS - Follow-up question (1 Q&A)

PSH and UFAS - Follow-up question

Can you please offer more clarity on the PSH/UFAS question? The recent response given was the same as the previous, which still leaves us unclear. Can the PSH/UFAS 20% be designated out of Standard UFAS unit requirements for project, or would they be extra units, added to the Standard amount required?

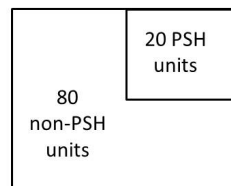
To calculate the number of UFAS units needed to achieve prioritization scoring points, apply separate formulas to the PSH and non-PSH segments of your project and add the two results. 5% of the non-PSH units must be UFAS, and 20% of the PSH units must be UFAS (to obtain bonus points). This calculation will provide a different result than both of the approaches listed in the last sentence of the question. See the the example illustrated below:

Example



$$100 \text{ units} \times 5\% = 5 \text{ UFAS units}$$

Total Requirement
5 UFAS units



$$80 \text{ non-PSH units} \times 5\% = 4 \text{ UFAS units}$$

+

$$20 \text{ PSH units} \times 20\% = 4 \text{ UFAS units}$$

Total Requirement (for bonus)
8 UFAS units

PSH Rents (1 Q&A)

PSH Rents

For the PSH units should the underwritten rents on Form 202 reflect anticipated voucher rent that's being applied for?

Yes. In the 'Contract Rent' column on the 'Income' tab of Form 202, you should list the total expected rental income inclusive of the operating subsidy (i.e. the voucher contribution). At the same time, you should write "30% AMI" in the 'Median Income' column to reflect that these units will be reserved for households earning no more than 30% of the Area Median Income.

PSH vs TAH units (1 Q&A)

PSH vs TAH units

Who determines whether the tenant is a PSH or a TAH tenant? What responsibility does DHCD and partners via Coordinated system take for a TAH unit that may subsequently need supportive services?

Targeted Affordable Housing (TAH) is a new intervention defined by the Homeward DC plan. The ICH (with partner agencies) is in the process of developing program rules and protocols related to TAH, which are expected to be complete this fall. In general, however, TAH is designed to be either a step up from Rapid Rehousing (RRH) or step down from Permanent Supportive Housing (PSH), with regard to the intensity of the intervention. When it's determined that a client needs to be stepped up from RRH, it's because they need help with a longer term subsidy but don't need long term service support (otherwise they would have been assessed for PSH). When a client is being stepped down from PSH, again, it's because a determination is made that they no longer need the intensive service supports offered through PSH, but will need a longer term subsidy to remain housed. The District strives to use a client-centered approach that takes into consideration the unique strengths and needs of each client. Therefore, when a household is being transitioned to TAH, the service strategy for that household will be determined at that time in conjunction with their current service provider.

PSH Workshop (2 Q&As)

PSH Workshop

REMINDER

Please remember to join us this Friday for a lively networking opportunity and discussion on Supportive Housing. The hour-and-a-half workshop will begin with brief presentations by representatives from DHCD, DHS, TCP, DBH, DCHA, and the ICH. It will be followed by a Q&A session and an opportunity for workshop participants to network.

Earlier this week, DHCD sent out a [list of supportive service providers](#). These providers meet at least one of the following criteria:

- Operates an existing Permanent Supportive Housing Program funded by DHS;
- Is a DBH Certified Mental Health Rehabilitation Service Provider; or
- Is the proposed supportive services provider for a project in the DHCD pipeline.

Inclusion on this list is not an endorsement and does not guarantee that the provider will fulfill the required qualifications. Applicants may partner with any provider that fulfills the qualifications required by the Consolidated RFP, regardless of whether the provider is currently contracted or certified by the District of Columbia.

Event Details

Date: Friday, September 18, 2015

Location: DHCD Housing Resource Center, 1800 Martin Luther King Jr. Ave SE, First Floor

Time: 3:00 pm - 4:30 pm.

[Add to Calendar](#)

For additional information please contact dhcdevents@dc.gov or call Booker Roary at (202) 442-7207.

PSH Workshop

Do you have an attendance list from the PHS Workshop on 18 September? Will you make that list available?

[PSH Workshop \(9/18/15\) Sign-In Sheets \(click to download\)](#)

PSH Workshop Transcript (1 Q&A)

Purchase contract (1 Q&A)

Purchase contract	<p>The following questions have been grouped and a single response issued:</p> <p>If the applicant has a purchased contract for a building, for which they are seeking subsidies, can the purchase contract with the owner include typical buyer defaults within the 180 day window required by the RFP. Thank you.</p> <p>The NOFA requires that a purchase and sales agreement "MUST" extend for at least 180 days beyond the date of the application submission or be demonstrably renewable so site control can extend to the 180 day period". Under this requirement, are buyer default provisions permissible in the purchase and sales agreement? We are the buyer for a property and need info to structure the purchase and sales agreement properly. Thanks.</p>	Yes, the purchase contract may include typical buyer defaults.
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QAP requirements vs RFP (1 Q&A)

QAP requirements vs RFP	<p>Page 33 of the RFP indicates that any LIHTC only projects should conform to the QAP. Following are a few questions related to this:</p> <p>1. Cost limits - on pg 22 of the QAP it indicates that cost limits are tied to the 221d3 high cost mortgage limits. The 221d3 program was discontinued. What cost limit should LIHTC only projects use? Can we use the maximum construction costs per gross square foot identified in the RFP?</p> <p>2. RR annual contribution - the QAP indicates the contribution should be \$500 PUPA for rehabs. Can you confirm this is the amount to use versus the amount identified in the RFP?</p> <p>3. Scoring - we assume the scoring from the RFP will be utilized, not the scoring in the QAP. Can you please confirm?</p>	<p>1. LIHTC-only projects should follow the construction cost guidelines provided in the RFP.</p> <p>2. Please follow the Replacement Reserves guideline provided in the RFP, which requires: "For new construction or substantial rehabilitation LIHTC-funded projects a minimum annual deposit of \$400 per unit annually."</p> <p>3. Projects that apply for LIHTC funding will be scored against the RFP criteria and against the QAP scoring criteria, and both results will be used in the decision making process.</p>
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Qualifying Properties/DC Government (1 Q&A)

Qualifying Properties/DC Government	<p>Are DC Government-owned properties qualifying properties, for example, government-owned school buildings or other community buildings? If so, does ownership of the property still transfer to the developer? Does DC provide the environmental studies required?</p>	<p>DC government-owned properties qualify if the applicant can demonstrate site control, for example through an executed property/land disposition agreement. No District-owned land is offered through this RFP, so the project would have to involve a property that was previously awarded through a separate disposition process.</p>
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Reference to Exhibits in Narrative Format (1 Q&A)

Reference to Exhibits in Narrative Format	<p>The Project Narrative Format downloaded from the portal references exhibits by letter (Exhibit L, Exhibit P, etc.). As it appears that these exhibits are no longer a part of the RFP submission, will the document be updated to reflect the current relevant section name?</p>	<p>Please disregard all references to lettered exhibits. The online application system will make it clear where the referenced content is located. Most of these items (formerly, Exhibits K-P) are within the Development Team Thresholds section.</p>
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Refinancing (1 Q&A)

Refinancing	<p>Can the funding sources be used to refinance an affordable projects debt?</p>	<p>Funding is not available strictly for refinancing project debt. If the project has an existing loan from DHCD, and the scope of the project includes a substantial physical upgrade of the project, then DHCD will consider proposals to wrap existing debt into a new loan.</p>
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Relocation requirement clarification (1 Q&A)

Relocation requirement clarification	<p>A portion of the relocation instructions are confusing. Can you clarify what level of tenant notification is required prior to submission of the application? See the excerpt below from the relocation section; the first and last sentences are confusing. From Relocation Tab: Tenant notices required before submitting an application for financing. A suggested form of General Information Notification for all current tenants in the project (whether temporarily relocated or not) is provided. This notification is required for all projects prior to issuance of a Letter of</p>	<p>DHCD requires that General Information Notices be provided to tenants prior to executing a Letter of Commitment, which occurs after a project has been selected and underwritten. At the time of application, applicants must submit (if applicable) the Relocation Record Keeping and Monitoring Checklist and a Relocation and Anti-Displacement Strategy with a budget. If any notification letters (whether or not the DHCD/HUD forms were used) have been sent to tenants prior to application, the applicant must submit copies.</p>
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Relocation section 104(d) (1 Q&A)

Relocation section 104(d)	How do we know if relocation section 104(d) applies instead of just the URA requirements?	The most significant difference between the URA and Section 104(d) is the calculation used to determine rental assistance payments when tenants are displaced. DHCD intends to fund projects that do not permanently displace existing tenants, so designing a Relocation and Anti-Displacement Strategy that adheres to the URA rules and regulations will suffice
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Rent Subsidy Column on 202 Form (1 Q&A)

Rent Subsidy Column on 202 Form	What should be entered in the Rent Subsidy Column on the Project Income tab of the 202 form? In another question, DHCD indicated that the contract rent should list the rent for the unit inclusive of any rent subsidy, therefore we are unclear as to what goes in the rent subsidy column. Is it just a text input as to the type of subsidy - "LRSP" "ACC" etc.?	Any indication that a rent subsidy is requested (or exists), such as a check mark, or an acronym for the preferred (or existing) funding source, will suffice.
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Resident Services (1 Q&A)

Resident Services	It is a best practice for developments with a mix of PSH and affordable housing to offer low-intensity services to non-PSH residents as well as high-intensity services for the PSH residents. Are there resources in this RFP to fund the low-intensity services for non-PSH residents?	There are no resources available specifically for low-intensity services for non-PSH residents. The cost of these services may be included in the project's operating budget, as long as the overall per-unit per-year operating expense is within the range that DHCD requires (\$5,500 to \$6,500).
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Restricted Units (1 Q&A)

Restricted Units	How is the number of restricted units determined?	The number of restricted units is determined by the applicant. Proposals must identify how many units will be restricted and at which eligible income levels (AMI %). DHCD will determine how much funding the project qualifies for, based on how many restricted units are proposed, among many other factors.
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RFP Feedback (1 Q&A)

RFP Feedback	We want to hear any feedback you have about this year's RFP. If you have comments or suggestions related to the Online Application System, the content of the RFP, or the policy direction of DHCD's Development Finance Division, please submit your feedback through the following link: Leave Feedback	
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SBE/CBE (1 Q&A)

SBE/CBE	Is there a specific format for the the CBE spend plan or can we just use the format from the DSLBD office?	SBE compliance is enforced by the Department of Small and Local Business Development (DSLBD). Please use their forms, available at the following address: http://dslbd.dc.gov/service/developer-project-compliance
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Schematic drawings (1 Q&A)

Schematic drawings	In past RFPs there were guidelines for Schematic drawings, should we follow those guidelines or follow current RFP which states enough schematics to generate cost estimates for form 215?	The guidelines for Schematic drawings are included within the Architectural Plans section of the Online Application System. The following link will take you to the guidelines: Requirements for Architectural Plans (click to download)
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Section 8 (1 Q&A)

Section 8	For an existing Section 8 Property, can we base projected rents off of those identified in the Rent Comparability Study (HUD) that HUD will base Section 8 rents off of under the new 20 year HAP contract? Or are we required to underwrite to existing rents?	If current contract is through the DC Housing Authority, you may have to look at existing terms. If the contract is directly with HUD, you will need guidance from HUD. Please contact DCHA or HUD for further guidance.
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Senior Housing in DC (1 Q&A)

Senior Housing in DC	Is there a list showing locations of senior living complexes in DC ?	DHCD does not maintain a list with that information. To see a list of all projects recently financed by the Department, or currently in underwriting, please visit the following site: DHCD Project Pipeline Report .
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Shovel ready projects (1 Q&A)

Shovel ready projects	Is the RFP for shovel ready projects only or are pre-development and concept costs covered?	Projects must be advanced enough in concept to meet all Threshold Eligibility Requirements at the time of application, but do not necessarily need to be shovel ready. Selected projects will not go to settlement and receive funds until they meet a series of conditions, which include possession of building permits and final funding commitments from all other sources. DHCD funds can be used to reimburse pre-development costs, but these costs must be incurred by the developer prior to closing, and in some cases, prior to application.
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Subsequent RFPs (2 Q&AS)

Subsequent RFPs	\$100M in HPTF for this round in 2015, Will there be a second round? When? \$?	DHCD expects to issue the next RFP in Quarter 1 (October - December 2015) of Fiscal Year 2016. The amount of funding that will be available on that RFP has not yet been determined.
Subsequent RFPs	Will the subsequent RFPs be for \$100 million also?	This has not yet been determined.

Subsidy (2 Q&AS)

Subsidy	Is "subsidy" and "loan" used interchangeably? Susidy typically means you don't pay it back.	The term "Development Subsidy" is used throughout the RFP to refer to a variety of funding approaches, including the cash flow loans offered by DHCD at below market rates.
Subsidy	How do we apply to get a subsidy for	Section 5a of the online application is titled "Units, Operating Subsidies and Square Footage." In this section you will list all units in your project and

	30% units? Which entity will pay out the subsidy and how much can you receive for these units?	indicate (via checkbox) whether you are requesting a rent subsidy (voucher). To confirm, you will also be prompted to type the total number of project based vouchers requested in a separate box. Operating subsidies are paid by the DC Housing Authority and can pay up to the Fair Market Rent.
Supportive Services Plan (1 Q&A)		
Supportive Services Plan	The Permanent Supportive Housing section of the application notes in the instructions that a Supportive Services Plan is required as part of the application; however, there is no place in the main page of this section or in the subpage to add the provider's information where this plan can be uploaded. Please advise.	Within the Permanent Supportive Housing Section, there are buttons to (1) upload a Supportive Services Plan and (2) add a development team member in the role of supportive services provider.
Supportive Services Plan Guide (1 Q&A)		
Supportive Services Plan Guide	Under supportive services plan guide section 5, what is implied by, Do all proposed sources of funding 'allow mandatory services'?	DHS does not mandate services in PSH. It is a DHS expectation that all PSH participants actively engage in supportive case management services. The reason the household qualifies for PSH is that there is an identified disabling condition which contributed to their chronic homelessness. However, programs must not mandate participation as a condition of maintaining their housing placement. The Homeless Services Reform Act (HSRA) of 2005 precludes mandating case management services as a condition for maintaining a PSH housing placement.
Supportive Services Providers (1 Q&A)		
Supportive Services Providers	This doesn't appear to be reflected in the language of the RFP. So can you please advise if for-profit social services providers are prohibited from being included as part of a response? Here's the language from the initial announcement - "The Department of Human Services will provide funding to community based non-profit organizations to deliver intensive supportive services to single adult and family participants (who are chronically homeless, vulnerable, and face significant barriers to achieving self-sufficiency) in permanent supportive housing programs/projects funded through this NOFA"	The scoring in the Supportive Services Plan section of the RFP (p.21) has been <u>updated</u> to include a one-point preference for projects that partner with a registered 501c3 not-for-profit organization as the supportive services provider. However, applicants may partner with any supportive services provider that meets the qualifications outlined by the Department of Human Services in the RFP, regardless of the organization's 501c3 status.
Supportive Services staffing requirements (1 Q&A)		
Supportive Services staffing requirements	The DHS funding indicates that any or all staff supervising case managers must have certain academic backgrounds. Our organization has one case manager on staff that technically reports to a staff person whose role is broader than supportive services and does not have that academic background -- are there any exceptions to this requirement? Can the case manager be the most senior services staff -- i.e. can the case manager also be the supervisor of services? Also, can you please confirm - these requirements only apply to organizations applying for DHS funding, but are not required for PSH units not requesting DHS funding - correct?	The supervisor of a case manager that is providing supportive services to our most vulnerable homeless population must have the academic and/or clinical experience as required in order to appropriately supervise service delivery. The exception: A case manager could be the most senior staff person, if that case manager is a licensed Master's degree level clinician. Such a case manager could provide services independent of direct clinical supervision. These requirements apply specifically to PSH units requesting DHS funding. For all projects with PSH units, including those that do not request DHS funds, case manager qualifications will be taken into account in the scoring of the supportive services plan.
Targeted Geographic Areas (1 Q&A)		
Targeted Geographic Areas	Is there a list of the DHCD targeted geographic areas to know if our project is located in one of them?	From page 3 of the RFP: "The only geographic preference is for projects that are within ½ mile of a Metrorail station or a stop on the H/Benning streetcar line." The following link will take you to an interactive map that you can use to help determine how far your project is from an eligible transit station or stop: http://arcg.is/1OChwCA
Tax Credit Application Fee (1 Q&A)		
Tax Credit Application Fee		The check for the Tax Credit application fee (for projects that are applying for 9% Low Income Housing Tax Credits through this RFP) must be sent or delivered to the Department of Housing and Community Development, 1800 Martin Luther King Avenue SE, Washington DC 20020, Attention : RFP Supplemental Documents, Development Finance Division, and made payable to the DC Treasurer. Reference Tax Credit Fee and Project Name on the Check. The project name must match what is submitted to DHCD through the online application system. There is no application fee for projects that are not applying for Tax Credits.
Teaming (1 Q&A)		
Teaming	<p>The following questions have been grouped and a single response issued:</p> <p>Director Donaldson mentioned at another event that DHCD will have matchmaking events so that teams can form. Will that be before the October deadline to make the pool of applicants bigger and more competitive?</p> <p>I did not attend the kick off meeting be will there be other meetings? I do not have a development team, does your agency provide contacts?</p>	<p>-----Updated Response</p> <p>The PSH Workshop has been rescheduled to Friday, September 18, 2015. It will be held in DHCD's Housing Resource Center from 3:00-4:30pm. Additional information will be released shortly.</p> <p>-----Original Response</p> <p>On September 14, 2015, DHCD will hold a workshop related to the Permanent Supportive Housing requirements of this RFP. More information about this event will be released shortly. Development teams will have the opportunity to connect with supportive services providers at this workshop. There are no other matchmaking events planned prior to October 5 and DHCD does not provide contacts.</p>
Third Party Reports (1 Q&A)		
Third Party Reports	In re third party reports for a preservation project applicant: I understand that applicants who have	For applicants that own their property and acquired it within the past two years, the most recent appraisal available must be submitted (no more than 2 years old at the time of application). For selected projects, the appraisal (or the most recent update) must not be more than 1 year old at the time it is submitted to the Office of Program Monitoring for compliance review, so an update may be required at that point. An appraisal update will be required

already completed the acquisition phase of the project but have acquired their property within the last 2 years must submit only the most recent appraisal available. Please confirm this is correct. Do the same standards apply for a Physical Needs Assessment (PNA) and environmental standards (Phase 1)?

prior to closing so that a current appraised value is available within 120 days of closing.

The Phase I and Physical Needs Assessment (if the PNA is used to satisfy the Building Evaluation Report requirement) must be no more than 1 year old at the time of application.

TOPA projects (1 Q&A)

TOPA projects	For the form 202 there are separate requirements for TOPA projects. In the general requirements the expenses need to be \$5,500-\$6,500 per unit. Does this same restriction apply to TOPA projects? What if they can prove from past financials that it is lower?	TOPA projects should budget for operating expenses in this same range, even if historical expenses have been lower. DHCD wants to ensure that necessary maintenance is not being deferred and that replacement reserves are being funded at an appropriate level.
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TOPA Site Control (1 Q&A)

TOPA Site Control	TOPA-Our project will not have site control until November 19, 2015 when the tenant association is scheduled to go to closing (provided that all financing is in place). Currently, we have an Agreement For Sale and Purchase Contract with the seller. Will this suffice in our application as site control?	A contract of sale that extends at least 180 days from the application deadline date is considered valid evidence of site control.
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Transcript from Kickoff Meeting (1 Q&A)

Transcript from Kickoff Meeting	UPDATE FROM DHCD	The full transcript from the July 30, 2015 RFP kickoff meeting is available here (click to download PDF) .
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Unit Square Footage Requirements (1 Q&A)

Unit Square Footage Requirements	Does DHCD have minimum square footage requirements for the size of residential units? If no, can we assume DC Building code is the defining or constraining factor?	DHCD's Development Finance Division does not have a minimum per-unit square footage requirement. Projects must follow the building code requirements.
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Updated RFP Document (1 Q&A)

Updated RFP Document	UPDATE FROM DHCD	<p>DHCD has updated the RFP with the following modifications:</p> <ol style="list-style-type: none"> 1. Appraisals may be up to 180 days old at the time of application (prior to this change, the requirement was no more than 90 days). 2. The scoring criteria for the Supportive Services Plan (p. 21) has been modified to award one additional point to projects that partner with a registered 501c3 not-for-profit organization as the PSH supportive services provider. <p>The updated version of the RFP is available for download on the home page of this site, or at the following link:</p> <p>DC Summer 2015 Affordable Housing Consolidated Request for Proposals - Revised 2015.08.14 (click to download)</p>
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Utility Allowance (1 Q&A)

Utility Allowance	Is a utility allowance schedule going to be published for use? The calculator on the DCHA website is very simplistic and does not take into account energy efficient HVAC systems and if properties have mix of gas + electric.	A separate utility allowance will not be published prior to the application deadline for this RFP.
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