

**APPLICATION DEADLINE EXTENDED
THROUGH APRIL 14, 2023**

**HOME INVESTMENT PARTNERSHIPS
PROGRAM (HOME)**

and

**HOUSING INVESTMENT TRUST FUND
PROGRAM (HITF)**

and

**PAYMENT IN LIEU OF TAXES PROGRAM
(PILOT)**

**Prince George's County
Department of Housing & Community
Development**

Notice of Funding Availability
December 9, 2022
Multifamily Rental Housing

Public Notice to Owners and Developers

Aspasia Xypolia
Director

Prince George's County
Department of Housing & Community Development
December 9, 2022
Notice of Funding Availability (NOFA)
Multifamily Rental Housing

INTRODUCTION

The Prince George's County Department of Housing & Community Development ("DHCD") is pleased to announce the Fall 2022 NOFA funding round (the "2022 NOFA") for housing and community development projects.

The following requests will be considered during this funding round to support the acquisition/rehabilitation or new construction of affordable multifamily rental housing:

- HOME Investment Partnerships Program (HOME) or County Housing Investment Trust Fund (HITF) loans in an amount up to \$2,500,000 per project in conjunction with the expected Spring 2023 applications to the State of Maryland for projects seeking Low Income Housing Tax Credits (LIHTC).
 - DHCD will prioritize projects seeking 9% LIHTC but will consider making awards to projects seeking 4% LIHTC based on funding priorities and available resources.
- Payment in lieu of Taxes (PILOTs) requests will be reviewed on a project-by-project basis based on financial viability. If requesting a PILOT, the attached PILOT Analysis Workbook must be submitted with the application request. Note: PILOT requests must reflect a deferred payment of no more than \$600 per affordable unit per year of the County portion of real estate taxes.
- DHCD will determine the appropriate source of County funding for each project based on a variety of factors, including resource availability and policy priorities.
- DHCD may elect to amend the 2022 NOFA to alter application deadlines, make changes to funding availability and sources, or for other reasons as necessary or appropriate. Potential applicants should check the DHCD website for updates.
- DHCD may elect to amend the 2022 NOFA to include the availability of Federal HOME-ARP funding, subject to the approval by the U.S. Department of Housing and Urban Development of DHCD's HOME-ARP Allocation Plan. More information regarding the total available funding, priorities and preferences for HOME-ARP are available on DHCD's website at: [PRINCE GEORGE'S COUNTY ANNUAL ACTION PLAN, AS AMENDED FISCAL YEAR 2022 \(FFY 2021\) – FINAL \(princegeorgescountymd.gov\)](#)



PRE-PROPOSAL CONFERENCE

DHCD will hold a virtual pre-proposal conference on Friday, December 16, 2022 at 2pm EST. To take part in the pre-proposal conference, please send an email to kkjones@co.pg.md.us to RSVP to receive a link to the conference.

The purpose of the pre-proposal conference is to present an overview of the NOFA process and requirements for working with funding sources and to answer questions. Please be advised that questions must be limited to the NOFA requirements.

APPLICATION DEADLINE AND REQUIREMENTS

The schedule for the 2022 NOFA is:

NOFA published and posted to DHCD's website: Friday, December 9, 2022

Pre-proposal Conference: Friday, December 16, 2022

Application Submission Deadline: Friday, April 14, 2023

Applicants notified of decisions: Monday, June 12, 2023

Disclaimers

DHCD, in its sole discretion, reserves the right to modify the above dates.

All documents submitted as part of this application are considered public records and will be made available to the public upon request, with the exception of personal financial statements, private corporate financial statements, and other confidential commercial information. DHCD reserves the right to post summary information about all submissions, including those awarded financial or programmatic support.

SUBMISSION REQUIREMENTS

For the 2022 NOFA, the following documentation must be submitted:

1. Form 202 (in Excel format, with all worksheets completed) of the Maryland Department of Housing and Community Development's "Application Submission Package: Multifamily Rental Financing", which can be found at:
<https://dhcd.maryland.gov/HousingDevelopment/Pages/MFLibrary.aspx>
2. The following Exhibits to the Maryland Department of Housing and Community



Development's "Application Submission Package: Multifamily Rental Financing" which can be found at:

<https://dhcd.maryland.gov/HousingDevelopment/Pages/MFLibrary.aspx>

- i. Applicant Self Scoring table
 - ii. Exhibit A: Project Information, Part 3: Other Project Financing
 - iii. Exhibit B: Site Information, Part 3: Site Map and Photographs, and Part 5: Site Control
 - iv. Exhibit C: Development Team Information
 - v. Exhibit D: Financial Statements of Owners, Guarantors and General Contractors
 - vi. Exhibit E: Construction Information, CDA form 212 and Building Evaluation Report only.
Attach available renderings and elevations.
3. PGC DHCD Supplemental Application (Attached) – available as a WORD document upon request.
 4. PGC DHCD PILOT Analysis Workbook (pdf on DHCD's website along with NOFA) – available as an Excel file upon request.
 5. The application requires a certification that all proposed projects will meet all applicable Federal, State of Maryland, and Prince George's County program regulations and requirements, including but not limited to:
 - i. Prince George's County Diversity and Equity Policy for Publicly Subsidized Development Projects

In November 2022, Prince George's County adopted a Diversity and Equity Policy for Publicly Subsidized Development Projects. This policy and the associated requirements are detailed in Section 10-335 of the Prince George's County Code.

The following requirements will apply to all projects that receive awards under the 2022 NOFA and must be documented in a Supplier Diversity and Equity Plan that is approved by the County MBE Compliance Manager, in consultation with the Supplier Development and Diversity Division (SDDD):

1. At least thirty percent (30%) of the development costs for construction (including the design, demolition/site work, and building stages) of the County-subsidized project shall be paid to County-based small businesses and/or Locally-owned and Operated Businesses, including at least twenty percent (20%) of the design costs. In this Section, "design" includes architectural, engineering, and design work, excluding in-house design costs);
2. Best efforts, as defined by the County MBE Compliance Manager, in consultation with the SDDD, to achieve at least twenty-five percent (25%) of the development costs for construction (including the design, demolition/site work, and building stages) of the County-subsidized project shall be paid to



County-based minority business enterprises;

3. The project prime or general contractor team for the County-subsidized project shall include one or more businesses that are County-based minority business enterprises and/or Locally-owned and Operated Businesses.
4. For the construction (including the design, demolition/site work, and building stages) of a County-subsidized project, at least twenty-five percent (25%) of the total work hours on the project shall be worked by County residents, including at least twenty percent (20%) of the total work hours of workers in the specialty trades (defined as “specialty trade contractors” in the North American Industry Classification System (NAICS)) being worked by County residents.
5. For County-subsidized projects that include residential ownership units and utilize real estate listing agents, real estate appraisers, closing agents, settlement and/or title companies for the sale of one or more of the units, the primary place of business for these agents and companies shall be in Prince George’s County.

ii. Federal Section 3 rules (Regulations available at 24 CFR 135).

In addition to the requirements above in Section 5(i), Federal Section 3 requirements apply to all projects that also receive capital financing support in the form of a County HOME Investment Partnerships Program loan. Section 3 requirements include:

- a. Prioritizing efforts to engage Section 3 workers by:
 - Offering employment and training opportunities to Section 3 workers; and
 - Making contract awards to contractors and subcontractors that provide economic opportunities for Section 3 workers.
- b. Meeting or exceeding the applicable Section 3 Benchmarks established by HUD and Prince George’s County. Minimum performance requirements for all projects include:
 - Thirty-five percent (35%) of the total number of labor hours worked by all workers on a Section 3 project are Section 3 workers; and
 - Five percent (5%) of the total number of labor hours worked by all workers on a Section 3 project are Targeted Section 3 workers. This means that the five percent (5%) is included as part of the thirty-five percent (35%) threshold.

For additional information regarding the hiring requirements outlined in Section 5(i) and 5(ii), above, the following links are available:

- <https://www.hudexchange.info/programs/home/section-3/>
- <https://www.princegeorgescountymd.gov/DocumentCenter/View/38499/Final->

Applicants must submit one (1) COMPLETE electronic submittal by sending a request to PGNOFASubmission@co.pg.md.us, in order to be provided access to a OneDrive folder where the electronic submittal must be uploaded. Form 202 must be submitted in Excel format and the PGC DHCD PILOT Analysis Workbook must be submitted in Excel format. Exhibits A – E and the PGC DHCD Supplemental Application must all be submitted as separately labeled individual PDF documents. The Applicant Self Scoring Table and Exhibits from the Application Submission Package of the Maryland Department of Housing and Community Development must be submitted as separately labeled individual PDF documents.

Questions regarding the NOFA can be submitted by email to pawilson@co.pg.md.us through Friday, April 14, 2023.

UNDERWRITING GUIDELINES

1. Applicants may request up to \$2,500,000 per project in HOME Investment Partnerships Program or Housing Investment Trust funds. Funds may only be awarded to projects that demonstrate a gap in financing and a need for additional sources. DHCD will make the final determination as to the source(s) for any project selected for an award.
2. Any project awarded HOME funds will be required to meet all federal rules and regulations, which include Neighborhood and Site Selection standards. These are found at 24 CFR Part 92 Section 202 (A)(B). These standards are required under federal regulations and limit the areas in which HOME funds can be placed.
 - DHCD shall make the final determination that the site meets HOME requirements.

CONDITIONAL AWARDS

DHCD will review applications and match them up to the County's priorities and determine which projects will receive conditional Letters of Intent (LOIs). DHCD will prioritize projects seeking 9% Low Income Housing Tax Credits (LIHTC) but will also consider making awards to projects seeking 4% LIHTCs based on funding priorities and available resources.

FUNDING PRIORITIES

The award of HOME or HITF Program funding will be guided by the following set of priorities:

- Located within one mile of the Blue Line transit Corridor

- Located within one mile of the Purple Line transit Corridor
- New construction and/or preservation of workforce/affordable housing within one mile of Branch Avenue, Largo Town Center, New Carrollton, Prince George's Plaza and Suitland Metro Stations
- Conformance with housing priorities and guidance in the Prince George's County's 2035: Adopted General Plan
<https://pgccouncil.us/DocumentCenter/View/3162/Plan-2035-Approved-General-Plan-Book?bidId=>
- Maximizing the availability of units affordable to households with incomes at or below 50% of the AMI
- Mixed-use, mixed-income affordable/workforce housing; and
- Affordable/workforce housing that includes sustainable design, energy efficiency and green design standards.

DHCD reserves the right to suspend, amend, or modify the provisions of this NOFA. DHCD additionally reserve the right to waive any or all the requirements or limitations herein, to reject all proposals, to negotiate modifications of proposals, or to award less than the full amount of the funding available, all in its sole discretion.

All conditional awards of funding and project support will be made at the sole discretion of DHCD.

PRINCE GEORGE'S COUNTY
DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
SUPPLEMENTAL APPLICATION

1. Project Information.

| | |
|---|--|
| Applicant name: | |
| Applicant address: | |
| Project name: | |
| Project address: | |
| Neighborhood: | |
| Type of construction: | Choose: Cottage, Single Family, Semi-detached Dwellings, & Townhomes; Garden Apartments; Non-elevator Stacked Units & Elevator Buildings with 4 stories or less; or Elevator Buildings of 5 or more stories |
| Project type: | Choose: Multifamily; Senior; Multifamily and Senior; or Mixed-Use Multifamily |
| Scope of work: | Choose: New construction; Acquisition / Rehabilitation; Other |
| SMSA Census District: | |
| County Council District: | |
| State Legislative District: | |
| US Congressional District: | |
| Target population(s): | <i>If more than one target population, identify number of units for each one:</i> |
| Transit-oriented development: | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Parking spaces: | |
| Estimated number of permanent jobs: | <i>Utilizing Maryland DHCD Rental Housing Works job calculator at: https://dhcd.maryland.gov/HousingDevelopment/Pages/rhw/default.aspx</i> |
| Total gross square footage: | |
| Residential square footage: | |
| Retail square footage (if applicable): | |

| | |
|--|---|
| Amount and type of County funds previously received for this project: | |
| Amount of funds requested through this application: | |
| Is this project requesting County support in the form of a PILOT?: | <input type="checkbox"/> Yes <input type="checkbox"/> No <i>If yes, please complete the attached PILOT Analysis Workbook – refer to checklist.</i> |
| Use of County Funds - Amounts: | Acquisition: <input type="checkbox"/> Yes <input type="checkbox"/> No Amount: |
| | Relocation: <input type="checkbox"/> Yes <input type="checkbox"/> No Amount: |
| | Demolition: <input type="checkbox"/> Yes <input type="checkbox"/> No Amount: |
| | Construction: <input type="checkbox"/> Yes <input type="checkbox"/> No Amount: |
| | Other: Amount: |

2. Narrative Description of Development Plan.



Please insert a narrative, written project description addressing the following points:

- Description of project that includes address, amenities and a description of the location and surrounding neighborhood
- Targeted populations served (i.e. seniors, disabled, veterans, as applicable).
- Number of units set-aside for residents with mobility impairments (minimum 5%) and sensory impairments (minimum 2%)
- Overview of development team experience
- Narrative of market conditions
- Explain which County funding priorities are met
- Proximity to public transit stops (MetroRail, MetroBus, and MARC)
- Residential supportive services and programming offered, if required or planned
- Additional information the development team considers important for DHCD to know

Indicate the AMI groups being served and numbers of units

| | <u>Affordable Units¹</u> | | <u>Market Rate Units</u> | | <u>TOTAL</u> | |
|--------------|-------------------------------------|-----------------------|--------------------------|-----------------------|---------------|-----------------------|
| | <u>Rental</u> | <u>Home Ownership</u> | <u>Rental</u> | <u>Home Ownership</u> | <u>Rental</u> | <u>Home Ownership</u> |
| 0 bedroom | | | | | | |
| 1 bedroom | | | | | | |
| 2 bedrooms | | | | | | |
| 3 bedrooms | | | | | | |
| 4 bedrooms | | | | | | |
| TOTAL | | | | | | |

¹Rental units affordable to households with income < 60% Area Median Income for HOME Funds and < 80% AMI for HITF Funds.

3. Additional Information.

- Are Davis Bacon wages assumed in construction pricing?
- How were utility allowances calculated?

4. Disclosure Form.

| | | |
|---|------------------------------|-----------------------------|
| Has any principal identified in this form or any corporation or organizations in which this principal is or was formerly a principal partner, managing member or otherwise owned or control more than 10% of the shares or assets of a corporation, been the subject to any of the following? | | |
| Pending judgments, legal actions, lawsuits, orders and/or orders of satisfaction? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Been convicted or in a pending case for fraud, bribery, or grand larceny? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Been convicted or in a pending case for arson? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Adjudged bankrupt, either voluntarily or involuntarily, within the past 10 years? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Indicted for or convicted of any felony within the past 10 years? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Unpaid taxes or liens? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Declared in default of a loan or failed to complete a development project? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Failed to complete or currently in violation of any agreement involving the Prince George's County? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| If the answer to any of the above is yes, please provide a full explanation below, including as appropriate for each case 1) date, 2) charge, 3) place, 4) Court, 5) action taken, and 6) current disposition. Attach additional sheets or documentation, as necessary. | | |
| <hr/> | | |

5. Owned Property Disclosure.

Applicants must identify any property developed, owned and/or managed by the applicant or any principal listed in this application or by a corporation or organization in which the applicant or any principal listed in this application is or was at the time of development, ownership, or management a principal partner, managing member or otherwise owned or controlled more than 10% of the shares or assets of a corporation. This includes personal residences.

| <u>Address</u> | <u>Name of Legal Owner</u> | <u>Role</u> | <u>Relationship to Applicant</u> |
|----------------|----------------------------|-------------|----------------------------------|
| | | | |
| | | | |
| | | | |
| | | | |



6. Certification of Compliance.

Please note: if the applying entity is a joint venture, an officer of each entity composing the joint venture must sign this certification form.

I, _____, am an officer authorized to make a binding contractual commitment for the applicant.

I have received, read, and understand the provisions of this Notice of Funding Availability (NOFA).

I acknowledge that failure to disclose a material fact or to misrepresent a fact can result in disqualification of the development proposal from further consideration. I certify that all information contained in this response to the NOFA, including, but not limited to, the disclosure information is true and correct to the best of my knowledge and belief.

I understand by signing this form in conjunction with a response to this NOFA, that the County may, at its choosing, conduct a check with Dun and Bradstreet and other credit verification or similar agencies.

I understand that the County is not obligated to pay, nor will it in fact pay, any costs or losses incurred by the applicant at any time, including, but not limited to, the cost of: 1) any prior actions by the applicant in order to respond to the NOFA, and/or 2) any future actions by the applicant in connection with any negotiations between the applicant and the County, including, but not limited to, actions to comply with requirements of DHCD. I agree to comply with any applicable Federal, State or County laws and regulations governing this development proposal.

I understand that all proposed projects will meet all applicable Federal, State of Maryland, and Prince George’s County program regulations and requirements, including the requirements of Section 3 and the requirements of Prince George’s County Diversity and Equity Policy for Publicly Subsidized Development Projects. I further agree that my firm will track progress towards compliance with these goals and certify compliance via the submission of HUD-required and County-required forms, documentation, or certification statements.

I agree that I will not enter into, execute or be a part to any Covenant, Agreement, Lease, Deed, Assignment or Conveyance, or any other written instrument which restricts the sale, lease, use or occupancy of the property or any part thereof, upon the basis of race, color, religion, sex, or national origin and will comply with all Federal, State, and local laws, in effect from time to time, prohibiting discrimination or segregation and will not discriminate by reason of race, color, religion, sex or national origin in the sale, lease, use or occupancy of the property.

Signature: _____

Title: _____

Date: _____



APPLICATION CHECKLIST

Each numbered item should be submitted as a separate file. The completed checklist must also be submitted.

| Tab/File | CONTENTS |
|--|--|
| 1. | Form 202 of the Maryland Department of Housing and Community Development's Low-Income Housing Tax Credit application ("MD Form 202") <i>Please submit in Excel format</i> |
| The items in Tabs 2-7 and instructions can be found in the State DHCD's Application Submission Package for Multifamily Rental Housing. This file can be found online in the State DHCD Multifamily Housing Development Document Library. <i>Please use the most current version of the file and exhibits:</i> https://dhcd.maryland.gov/HousingDevelopment/Pages/MFLibrary.aspx | |
| 2. | Applicant Self Scoring Table |
| 3. | Exhibit A: Project Information, Part 3: Other Project Financing |
| 4. | Exhibit B: Site Information, Part 3: Site Map and Photographs, and Part 5: Site Control |
| 5. | Exhibit C: Development Team Information |
| 6. | Exhibit D: Financial Statements of Owners, Guarantors and General Contractors |
| 7. | Exhibit E: Construction Information, CDA form 212 and Building Evaluation Report only. Attach available renderings and elevations |
| 8. | Prince George's County DHCD Supplemental Application <i>Please submit in Word format</i> |
| 9. | DHCD PILOT Analysis Workbook (as applicable) |
| 10. | Disclosure Form |
| 11. | Owned Property Disclosure |
| 12. | Executed Certification of Compliance |

Important Notes:

- **Copies of application packages submitted to the State DHCD for LIHTC must concurrently be submitted to the Prince George's County DHCD:**
When an application is submitted to the State DHCD for LIHTC's, applicants seeking Prince George's County HOME/HITF and PILOT subsidies must also submit a COMPLETE digital copy of the application package to the Prince George's County DHCD.
- **A robust, specific, detailed Section 3 Plan will be required (if awarded HOME funds) after the State DHCD announces awardees of competitive 9% LIHTC or provides a reservation of 4% LIHTC and intent to commit bond financing.**
- **Completion of a Sites and Neighborhood Standards Compliance Checklist, to be provided by DHCD, will be required (if awarded HOME funds) after the State DHCD announces awardees of competitive 9% LIHTC or provides a reservation of 4% LIHTC and intent to commit bond financing.**
- **Applicants should include in their budget a line item of \$50,000 for County legal representation.**

