



Prince George's County Department of Housing & Community Development

Notice of Funding Availability Multifamily Rental Housing January 2025

- HOME Investment Partnership
- HOME-ARP
- Housing Investment Trust Fund
- Payment in Lieu of Taxes

Public Notice to Owners and Developers





Prince George's County Department of Housing & Community Development January 21, 2025 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 2025 NOFA funding round (the "2025 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 Spring 2025 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.
- HOME-ARP loans in an amount up to 100% of the allowable Total Development Costs plus an Operating Cost Assistance Reserve of up to \$45,000 per HOME-ARP assisted unit. Additional detail regarding HOME-ARP program requirements is provided below.
- 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.
- DHCD will determine the appropriate source of County funding for each project based on a variety of factors, including resource availability and policy priorities.

PRE-PROPOSAL CONFERENCE

DHCD will hold a virtual pre-proposal conference on February 5, 2025 at 11am EST. To take part in the pre-proposal conference, please send an email to <u>kkjones@co.pg.md.us</u> 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.

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Please be advised that questions must be limited to the NOFA requirements.

APPLICATION DEADLINE AND REQUIREMENTS

The schedule for the 2025 NOFA is:

NOFA posted to the web:	January 21, 2025
Pre-proposal conference:	February 5, 2025
Application submission deadline:	March 24, 2025
Applicants notified of decisions:	April 30, 2025

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 2025 NOFA, the following documentation must be submitted:

- 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: <u>https://dhcd.maryland.gov/HousingDevelopment/Pages/MFLibrary.aspx</u>
- 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 1: Site Map and Photographs, and Part 5: Site Control
- iv. Exhibit C: Development Team Information
- v. Exhibit D: Financial Statements of Developers, Owners, and Guarantors
- vi. Exhibit E: Construction Information, CDA form 212 and Building Evaluation Report only. Attach available renderings and elevations.

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- 3. PGC DHCD Supplemental Application (Attached)
- 4. PGC DHCD PILOT Analysis Workbook (Attached)
- 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. <u>Federal Section 3 rules</u> (Regulations available at 24 CFR 135). 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.

ii. Prince George's County's Local Hiring Requirements

- a. The project must comply with the requirements and participation goals of the County's Diversity and Equity Policy for Publicly Subsidized Development Projects (the "Policy"). The Policy and associated requirements and goals are detailed in Section 10-335 of the Prince George's County Code (the "Code") and are as follows:
 - 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 (CBSB) and/or Locally Owned and Operated Businesses (LOB), including at least twenty percent (20%) of design costs if applicable. In this Section, "design" includes architectural, engineering, and design work, excluding inhouse design costs.
 - Use Best Efforts 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

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County-Based Minority Business Enterprises. As a minimum, the Developer shall demonstrate its Best Efforts, as defined above, to meet this Goal.

- The General Contractor Team for the Project shall include one or more businesses that are County-Based Minority Business Enterprises (CMBE) and/or Locally-Owned and Operated Businesses (LOB).
- As applicable, the Construction services (including the design, demolition/site work, and building stages) for 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.

The Code requires the approval of a Supplier Diversity and Equity Plan by the County. Additional information regarding the Policy is available at the following website:

 <u>https://www.princegeorgescountymd.gov/departments-offices/housing-</u> <u>community-development/resources/notice-funding-availability</u>

For additional information regarding the hiring requirements of Section 3, local hiring, and business engagement requirements of Prince George's County, and hiring resources, the following links are available:

- https://www.hudexchange.info/programs/home/section-3/
- <u>https://www.princegeorgescountymd.gov/DocumentCenter/View/38499/Final-DHCD-</u> 2021-2025-Section-3-Action-Plan-11-16-21
- <u>https://mypgc.diversitycompliance.com/?TN=mypgchttps://www.employpg.org/</u>

Applicants must submit one (1) COMPLETE electronic submittal. <u>Please send an email to Karan</u> <u>Stewart at kastewart@co.pg.md.us to request access to submit the application</u>. Access will then be provided to a OneDrive folder where the electronic submittal must be uploaded. Form 202 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. The Excel version of the PILOT Analysis Workbook will be uploaded to your OneDrive folder along with a WORD version of the County's Supplemental Application.

Questions regarding the NOFA can be submitted by email to <u>pawilson@co.pg.md.us</u> through March 24, 2025.

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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. Applicants may request HOME-ARP funds in an amount that does not exceed the sum of the following:
 - A. 100% of the <u>Total Development Costs</u> of the HOME-ARP assisted units. The allowable Total Developments Costs are more fully described in DHCD's Term Sheet for the HOME-ARP Program; plus
 - B. An <u>Operating Cost Assistance Reserve</u> of up to \$45,000 per HOME-ARP unit, which is equal to \$250 per unit per month for a 15-year period. These funds will be made available to cover allowable operating costs as more fully described in DHCD's Term Sheet for the HOME-ARP Program.

HOME-ARP units must be set aside for occupancy by homeless households with incomes at or below 10% of AMI and referred through the Coordinated Entry Policy of the County's Continuum of Care. Unless prior approval is provided by DHCD, no more than 10% of the units in a project should be designated as HOME-ARP units. Priority will be given to projects undertaken by developers that have demonstrated capacity to develop, own and operate permanent supportive housing. Additional information is provided in DHCD's Term Sheet for the HOME-ARP Program available at:

https://www.princegeorgescountymd.gov/sites/default/files/media-document/HOME-ARP%20Loan%20-%20Term%20Sheet%20-%209-1-23.pdf

- 3. Applicants may request a PILOT. The PILOT payment can provide a maximum of \$600 of tax relief per affordable unit.
- 4. Applicants may request a combination of some or all of the resources itemized above in sections 1 through 3.
- 5. Any project awarded HOME or HOM- ARP 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 and HOME-ARP funds can be placed.
 - DHCD shall make the final determination that the site meets HOME and HOME-ARP

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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, HOME-ARP or HITF Program funding and PILOTs will be guided by the following set of priorities:

- 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 or within a mile of the Blue Line or Purple Line Transit Corridor
- Projects delivering units affordable to households earning 50% AMI and below.
- Conformance with housing priorities and guidance in the Prince George's County's 2035: Adopted General Plan <u>https://pgccouncil.us/DocumentCenter/View/3162/Plan-2035-Approved-General-Plan-Book?bidId=</u>
- 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. Applicant Information.

Applicant / Developer Name:	
Applicant / Developer Address:	
Project Contact Name, Number & Email:	
Co-Developers:	
Ownership Entity Name:	
DUNS Number / Unique Entity ID of	www.sam.gov
Ownership Entity:	

2. Project Information

Project Name:	
Project Address:	
Municipality Name (if applicable):	
County Council District:	
Number of Units:	
Target Population(s):	If more than one target population, identify number of units for each
	type
Type of Construction:	Choose an item.
Project Type:	Choose an item.
Scope of Work:	Choose an item.
Number of Parking Spaces:	
Total Gross Square Footage:	
Residential Square Footage:	
Retail Square Footage (if applicable):	
Transit-Oriented Development:	🗆 Yes 🔹 No
TOD Location and Distance (if applicable):	

3. Project Financing

Type of County funds requested:	
Select all that apply	□ HOME-ARP
	PILOT (Payment in Lieu of Taxes)
Amount of HOME/HITF funds requested:	
Amount of HOME-ARP funds requested:	
PILOT Deferral per unit requested:	
Use of County funds:	□ Acquisition
Select all that apply	New Construction
	Rehabilitation
Other Proposed Financing Sources:	



4. Narrative of Development Plan.

Please insert a narrative addressing the points below. Attach as a separate document if needed.

- Location description of project that includes address, relevant zoning designations (PFA, QCT, TOD etc) and proximity to public transit (MetroRail, MetroBus, MARC, Purple Line)
- Physical description of project that includes unit mix and amenities.
- Targeted population(s) 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%)
- Residential supportive services and programing offered, if required or planned
- Description of development team and overview of experience
- Narrative of market conditions
- Explain which County funding priorities are met.
- Describe proposed funding sources and status of application.
- Additional pertinent information



5. AMI Unit Mix and Residential Rental Income.

Note: HOME-ARP assisted units must be targeted at 10% of AMI

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7. Disclosure Notification.

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?	🗆 Yes	🗆 No
Been convicted or in a pending case for fraud, bribery, or grand larceny?	🗌 Yes	🗌 No
Been convicted or in a pending case for arson?	🗌 Yes	🗌 No
Adjudged bankrupt, either voluntarily or involuntarily, within the past 10 years?	🗌 Yes	🗌 No
Indicted for or convicted of any felony within the past 10 years?	🗆 Yes	🗌 No
Unpaid taxes or liens?	🗌 Yes	🗌 No
Declared in default of a loan or failed to complete a development project?	🗌 Yes	🗌 No
Failed to complete or currently in violation of any agreement involving the	🗌 Yes	🗌 No
Prince George's County?		
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.		



8. 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 <u>Prince George's County Diversity and Equity Policy for</u> <u>Publicly Subsidized Development Projects</u>. 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:

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SUPPLEMENTAL APPLICATION CHECKLIST

Each numbered item should be submitted as a separate file. Label each file with the File Number, Content Name and Project Name.

File	File No. CONTENTS	
	0.	Supplemental Application Checklist
	1.	Prince George's County DHCD Supplemental Application
		• Sections 1 – 7 of this document. Please submit in Word format
	2.	Executed Certification of Compliance
		Section 8 of this document. Electronic signature is acceptable.
	3.	DHCD PILOT Analysis Workbook (if applicable)
		Please submit in Excel format
	4.	Priority Funding Area Map (if applicable)
		• <u>https://maryland.maps.arcgis.com/apps/instant/sidebar/index.html?appid=9cdc</u>
		<u>2630b7d74785b595b1fe77bc883a</u>
		e following items and instructions can be found in the State DHCD Multifamily Housing
		velopment Document Library. Tabs 6-11 can be found in the document "Application
Submission Package". Please use the most current version of the file and exhibits. https://dhcd.maryland.gov/HousingDevelopment/Pages/MFLibrary.aspx		
		Form 202 – Multifamily Rental Financing Application
	5.	 See "Important Notes" below regarding County legal fees.
		• Please submit in Excel format
	6.	Applicant Self Scoring Table
	7.	Exhibit A: Project Information
		Other Project Financing
	8.	Exhibit B: Site Information
		Site Map and Photographs
		Site Control
	9.	Exhibit C: Development Team Information
	10.	Exhibit D: Financial Statements of Developers, Owners, and Guarantors
	11.	Exhibit E: Construction Information,
		• Form 212
		Building Evaluation Report
		Renderings and elevations
Imno	wto mt	Notes:

Important Notes:

- Applicants should include a budget line item of \$55,000 for County legal representation.
- Applicants agree to provide to County DHCD, timely electronical submission of all packages (application, viability, commitment) submitted to the State DHCD for LIHTC.
- The source of County funding awarded is at the sole discretion of DHCD. If a project is awarded HOME funds, the following conditions will apply after the State DHCD announces awardees of competitive 9% LIHTC or provides a reservation of 4% LIHTC and intent to commit bond financing:
 - A Section 3 Plan will be required. Template to be provided by DHCD.
 - Completion of a Sites and Neighborhood Standards Compliance Checklist will be required. Checklist to be provided by DHCD.