



## **Request for Applications 2024-01: Acquisition, New Construction, or Rehab-Preservation of Housing Units in Support of the Baltimore County Voluntary Conciliation Agreement (“VCA”)**

### **1. Invitation for Applications for Funding for Development Proposals that Qualify under the VCA.**

The Baltimore County Department of Housing and Community Development (“DHCD”) releases this Request for Applications (“RFA”) for the acquisition, production (new construction), substantial renovation and preservation of affordable housing in Baltimore County (“the County”). DHCD invites applications from qualified development partners for the provision of viable affordable housing, where DHCD’s capital solutions will be leveraged to support development and long-term affordability for households wishing to reside in the County.

Baltimore County entered into a Conciliation Agreement and Voluntary Compliance Agreement (“VCA”) with the US Department of Housing and Urban Development (“HUD”) and Complainants in March 2016. As part of the agreement, the County must create 1,000 affordable “Hard Units” in specified census tracts over a 12-year period from 2016 to 2028. A Hard Unit is defined as **a unit reserved for a household at or below sixty (60) percent of Area Median Income (“AMI”)**, created through new construction, substantial renovation, or acquisition and preservation of existing housing stock. To accomplish this goal, the County will provide low-cost financing and other resources, as necessary, to incentivize the creation of remaining Hard Units as defined below.

### **2. VCA Affordable Hard Unit Requirement Details:**

- **Total Units:** The County is required to take all necessary steps to cause the development of 1,000 Hard Units.
- **Hard Unit Subcategories:** Among the 1,000 Hard Units, a certain portion of units must also meet the requirements of certain subcategories, as described below. A single Hard Unit is able to meet the requirements of multiple subcategories.
  - **30% AMI Affordability Requirements:** At least 300 of the Hard Units developed will be affordable to and occupied by households with incomes at or below thirty (30) percent of AMI.
  - **Three Bedroom Units:** At least 500 of the 1,000 Hard Units shall contain three or more bedrooms affordable to and occupied by households with incomes at or below sixty (60) percent of AMI.
  - **Accessible Units:** At least one hundred (100) of the Hard Units will be Accessible Units which comply with the requirements in the Uniform Federal Accessibility Standards (UFAS) or HUD’s Alternative Accessibility Standard set forth in HUD’s Notice: Nondiscrimination on the Basis of Disability in Federally Assisted Programs and Activities, 79 Fed. Reg. 29,671 (May 23, 2014) and are affordable to and occupied by households with incomes at or below sixty (60) percent of AMI. The County has contracted with a consultant to assist with plan review and compliance regarding Accessible Units, who will also ultimately issue UFAS compliance letters for final project approval.
  - **New Construction or Substantial Rehabilitation:** At least 650 Hard Units will be developed through new construction or substantial rehabilitation for families at or below 60% AMI. Additionally, at least 150 Hard Units shall be developed through new construction or sub-rehab for families at or below 30% AMI.



- **Location – Census Tracts:** Eligible Hard Units may only be located in specific census tracts, as identified in Exhibit F, Table A and B. Census tracts are associated with the 2010 census tract map. For this RFA, the County will only consider applications for projects located in the census tracts identified in Table A.
- **Location – Distribution:** Hard Units shall be distributed throughout the census tracts listed in Exhibit F, Table A. For the purposes of this RFA, the County will provide priority consideration to projects located in census tracts where a limited number of approved Hard Units are currently located, as detailed below. Hard Units must be geographically dispersed and are not unduly concentrated in any particular census tract(s) or adjoining census tracts in the County.

We encourage interested applicants to read the [VCA](#) to fully understand the requirements.

### **3. Period of Affordability and Marketing.**

Proposed developments awarded funding will be required to execute deed restrictions requiring affordability for at least a 15-year period, although the County has a strong preference for a period lasting at least 20 years. This RFA provides additional scoring consideration to projects which guarantee a period of affordability for at least 20 years, as detailed in the following section.

Other requirements of the developer as outlined in the Section III of the VCA include developing and implementing a marketing plan to specifically market to prospective tenants (Conciliation Agreement Marketing Plan or “CAMP”), and providing the County with certain tenant demographic information on a monthly basis.

### **4. Timeline and Scoring:**

Applicants must demonstrate an ability to close, complete the development-related work, and lease-up all of the units within the remaining period of the VCA (February 2028). To qualify as VCA-eligible Hard Units, developments must contain units that meet one or more of the criteria below. A scoring system is being used to evaluate applications. An application can receive a maximum of 115 points should it include all of the criteria listed above. The scoring system also incentivizes developers to provide a greater number of VCA-eligible units.



A. The following outlines the criteria of eligible Hard Units to be included in rental developments for this RFA.

Criteria	Prioritization	Scoring	Notes
1 Units are to be located in Baltimore County within specific census tracts.	<b>Required</b>		See Exhibit F, Table A of the VCA for specific census tracts.
2 Acquisition, New Construction or Preservation (renovations).	<b>Required</b>		Developers can create Hard Units through the acquisition, new construction, or preservation (renovation) of multifamily housing or scattered site units.
3 Time Frame to Close.	<b>Required</b>		Developer must demonstrate the ability to close and complete construction-related work by 2027 and lease-up all units by Feb 2028.
4 Hard Units for families with incomes at or below 60% of AMI.	Medium	<b>10 maximum pts</b> 10 pts: 50 or more units 5 pts: 10-49 units	The County is still in need of at least 130 total Hard Units. Projects which do not include Accessible Hard Units, Hard Units for families with incomes at or below 30% of AMI, and/or Hard Units with three or more bedrooms will be considered at a lower priority than those which include one or more of these subcategories.
5 Hard Units for families with incomes at or below 30% of AMI	High	<b>30 maximum pts</b> 30 pts: 15 or more units 15 pts: 5-14 units	The County is still in need of at least 45 Hard Units for families with incomes at or below 30% of AMI. Applications can include requests for Project Based Vouchers (“PBV’s”).
6 Hard Units which qualify as Accessible Units.	High	<b>30 maximum pts</b> 30 pts: 5 or more units 20 pts: 1-4 units	The County is still in need of at least 60 Accessible Units. Please see Section I.1.b. of the VCA for the definition of Accessible Unit.
7 Hard Units with three or more bedrooms.	High	<b>30 maximum pts</b> 30 pts: 25 or more units 15 pts: 10-24 units	The County is still in need of at least 125 Hard Units with three or more bedrooms.

See the attached Baltimore County map highlighting the VCA eligible areas. In order to encourage the geographic distribution of Hard Units, an additional 5 points will be awarded to projects which are located within census tracts that currently include minimal approved Hard Units. For scattered site projects, at least 50% of the total units must be located within these census tracts to receive the additional 5 points.

B. Census Tracts eligible for additional 5 bonus points.

400100; 400200; 400400; 400500; 400600; 400701; 400702; 400800; 400900; 401000; 401400; 401503; 403401; 403402; 403500; 403601; 403602; 403701; 403702; 403800; 403801; 403803; 404201; 404402; 404404; 404501; 404900; 405000; 406000; 407001; 408100; 408200; 408302; 408303; 408304; 408502; 408601; 408602; 408702; 408703; 408704; 408800; 409601; 410100; 410200; 411101; 411201; 411202; 411302; 411303; 411307; 411308; 411309; 411406; 411409; 411410; 430400; 430600; 430700; 430800; 430900; 440500; 440702; 490100; 490200; 490400; 490500; 490602; 490603; 490605; 490701; 491000; 491100; 491500; 492001; 492002; 492101; 492102; 492200; and 492600.



*C. Additional bonus points for extended periods of affordability.*

Projects which propose a period of affordability lasting at least for a 20-year period will receive an additional 5 points. Those proposing a period of affordability lasting at least for a 30-year period will receive an additional 5 points (for a total of 10 additional points).

**5. Program Funding.**

Baltimore County offers a rolling application process for the following County-administered resources that will be available to fund VCA developments:

- Home Investment Partnerships (HOME)
- HOME Investment Partnerships American Rescue Plan Program (HOME-ARP)
- Community Development Block Grant (CDBG)
- 2021 American Rescue Plan Act (ARPA)
- The Housing Opportunities Fund
- Project-Based Voucher (PBV) Program
- Payment In Lieu of Taxes (PILOT)

**6. Fact Sheet.**

The [VCA Fact Sheet](#) provides the general terms and conditions of a DHCD loan from the loan programs listed above.

**7. Application.**

The following links provide access to the Application for Financial Assistance (“Application”) and required attachments to the Application including Form 202 (including Development Budget, Pro Forma, Sources and Uses of Funds, among other important development information), Project Description and Development Team Narrative Template, and Application Checklist.

[Application for Assistance](#)

[Form 202](#)

[Project Description and Development Team Narrative Template](#)

[Application Checklist](#)

All applications require a written narrative demonstrating organizational capacity, knowledge and experience in affordable housing development. DHCD encourages responses from applicants who seek to affirmatively further fair housing, advance racial equity and demonstrate a working knowledge of the Fair Housing Act (“FHA”) (Title VIII of the Civil Rights Act of 1968).



Please submit questions and completed applications to [dhcdrfa@baltimorecountymd.gov](mailto:dhcdrfa@baltimorecountymd.gov). Applications must be received by October 30, 2024, which is within 90 days of release of the RFA on Thursday, August 1, 2024. Please note that time is of the essence and Applications will be reviewed as they are received on a **first come, first served basis**. We look forward to working with prospective developers.

#### **8. Development Guide.**

DHCD has developed an Attainable Housing Development Guide (“Development Guide”) which provides guidance to property owners, developers, community development organizations, and others interested in obtaining financial assistance including information and documents necessary to apply for financing as well as DHCD’s processes and procures from Application to closing and post-closing. We encourage you to read the Development Guide to fully understand DHCD’s financing process. See the [Baltimore County Development Guide](#) for more information.

#### **9. Information Session.**

A virtual information session was held on **Wednesday, September 4, 2024 from 1-2 p.m.** During this session, interested parties can ask questions regarding this RFA. Persons interested in creating housing units can contact us at [dhcdrfa@baltimorecountymd.gov](mailto:dhcdrfa@baltimorecountymd.gov).