



Department of Housing and Community Development

# Equitable Affordable Housing Program (EAHP)

## **Notice of Funding Availability (NOFA)**

Issued April 3, 2025

**Department of Housing and Community Development**  
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## Contents

Purpose of Funding .....	2
General Information .....	2
NOFA Process and Timeline .....	3
Application Instructions .....	4
1. DHCD Application Form and Checklist.....	5
2. Project Summary.....	5
3. Project Design .....	5
4. Financial Analysis .....	5
5. Development Schedule .....	7
6. Site Control .....	7
7. Appraisal .....	7
8. Environmental Review.....	7
9. Market Study.....	7
10. Capital Needs Assessment (Preservation and Adaptive Reuse Only) .....	7
11. Scope of Work .....	7
12. Relocation Plan and Budget (Preservation and Public Housing Redevelopment Only) .....	7
13. Financing Commitments.....	8
14. Rental or Operating Subsidies (If Applicable) .....	9
15. Zoning and Planning Approval.....	9
16. Location Maps.....	9
17. PSH/Special Needs Documentation.....	9
18. Green Building Certification .....	9
19. Developer Team Experience .....	10
20. Nonprofit Certification.....	10
Scoring Criteria.....	11
Scoring Discussion.....	12
I. Project Readiness (80 points).....	12
II. Location (40 points).....	13
III. Target Population/Project Attributes (50 points) .....	13
IV. Developer Experience and Capacity (30 points).....	15
Definitions.....	16

## Purpose of Funding

This City of Richmond Notice of Funding Availability (NOFA) for the Equitable Affordable Housing Program (EAHP) is made available through the Department of Housing and Community Development (DHCD) and is open to for profit and nonprofit applicants (Applicants) proposing the development of affordable rental and for-sale housing developments, including affordable rental housing for individuals and families experiencing homelessness or persons with special needs.

On April 10, 2023, the City of Richmond declared an affordable housing crisis in the city. On May 8, 2023, the City Council approved a 5-year Capital Improvement Program (CIP) budget that includes funding of \$50 million (\$10 million annually over the next five years) for the production and/or preservation of a minimum of 5,000 units of affordable housing for the benefit of low- and moderate-income persons. Under the 1<sup>st</sup> round of the new EAHP funding, \$7 million was awarded to 8 projects to produce 822 units of affordable housing. Under the FY25 2<sup>nd</sup> Round of EAHP funding, up to \$13 million will be available for the development and preservation of multifamily housing units.

**Funding for this NOFA is provided by City of Richmond Bond Funds. Applicants are required to comply with all provisions of the program as may be amended by the City of Richmond and the Department of Housing and Community Development. Specific requirements will be provided to Recipients in the grant or loan agreement for successful applicants. City bond funding does not trigger the use of Federal Labor Standards as per the Davis-Bacon Act, but may require adherence to local wage ordinances or employment goals.**

Priority will be given to those projects that help to advance the City’s housing strategic goals as listed below:

- 2,000 new low- and moderate-income (LMI) homeowners (50%-80% AMI), by January 1, 2033.
- 10,000 new affordable rental units by January 1, 2033.
- 350 new Permanent Supportive Housing (PSH) units by January 1, 2026.
- The transformation of the six properties owned by the Richmond Redevelopment and Housing Authority (“RRHA”), referred to as the “Big Six”, into “Communities of Choice” development sites and the de-concentration of poverty in Council Districts 3, 6, and 7 by January 1, 2037.

## General Information

The Department of Housing and Community Development (DHCD) is utilizing a competitive application process to allow organizations and developers to apply for funding that meets the City’s affordable housing needs based on the recently declared affordable housing crisis. Funding is made available through the City’s Equitable Affordable Housing Program (EAHP).

All funding under this NOFA will be available on a competitive basis to the following types of organizations: non-profits, Community Housing Development Organizations (CHDOs), for-profit developers, economic development agencies, housing, or human service agencies, and/or organizations with federal tax-exempt status undertaking multifamily development or preservation rental projects as well as the construction of new single-family homes for homeownership. EAHP applications must be for projects that will increase the supply of affordable and high-quality housing units in neighborhoods with high levels of economic opportunity and mobility for low-income residents and to help residents increase their economic opportunity and reduce concentrated areas of low economic opportunity, as well as preserve existing affordable multifamily housing units.

Applicants who apply will be evaluated and selected based on the scoring criteria described in this NOFA. DHCD funding is provided for rehabilitation and new construction of affordable rental, for sale, and supportive housing developments, and is intended to fill all or a portion of the gap between development costs and financing available from non-DHCD sources. Applicants are expected to pursue financing from all available sources.

**All projects funded under this NOFA must agree to a minimum 30-year affordability period to be detailed in the grant or loan agreement.**

**Developers of projects receiving an allocation of Low-Income Housing Tax Credits (LIHTC) from Virginia Housing will generally be deemed financially qualified to participate in the EAHP program. DHCD, at its discretion, may require additional financial information from all developers applying for EAHP funding to demonstrate the financial capacity to complete the Project, including but not limited to audited financials, tax returns, and credit reports.**

**Disclaimer/Disclosure: DHCD reserves the right to award funding other than what has been requested by an applicant, at its discretion, based on funding availability and/or for projects that meet an immediate need, priority, or goal of the City, and is an eligible activity as permitted by DHCD's general provisions for EAHP funding.**

## NOFA Process and Timeline

**The amount of funds available through this NOFA:     \$13 million**

Applications will be accepted in two phases. The Initial Application Phase will open on April 3, 2025, with applications due by May 16, 2025. The second phase will open on June 1, 2025, and HCD will accept applications on a rolling basis until this NOFA is rescinded, a new NOFA is issued, or all City of Richmond housing bond funds have been depleted.

In the initial funding phase, applications will be rated and ranked and will be awarded funds based on the scoring from highest to lowest. Those projects not receiving funds during the initial funding phase will be placed on a waiting list in order of score from highest to lowest. Projects from the Rolling Application Phase will be added to the waiting list according to score. If additional funding is made available or funded projects are not able to close on time, projects on the waiting list will be funded from highest to lowest until all additional funds have been expended. If the request from the next eligible project on the wait list exceeds available funding, DHCD, at its sole discretion, may offer partial funding to the next eligible project or award the next project on the list whose request does not exceed available funding. The waiting list will be maintained for a period determined by DHCD.

DHCD and/or the Affordable Housing Trust Fund Board may, at their sole discretion, place a project in "Hold" status if it is determined that conditions exist that will prevent the project from moving forward according to the submitted schedule or that will delay closing or construction by more than 60 days. Projects by developers that have other current projects funded by City of Richmond resources that are not progressing satisfactorily may also be put on hold status. Projects on hold status will not be eligible to receive funds until DHCD and/or the Affordable Housing Trust Fund Board have determined that the conditions delaying the project have been resolved. When a project is placed on hold, DHCD will fund the next eligible project on the wait list. Projects on hold may not receive funding if funds are depleted while the project is on hold. DHCD, at its sole discretion, may place additional conditions or monitoring

requirements on developers or project teams that have performed poorly on previous projects funded by City of Richmond resources.

**Application Availability:** To submit your application, you must first provide your email address of your agency’s point of contact who will submit the EAHP application. This information should be sent to Jaynell Pittman-Shaw, [Jaynell.Pittman-Shaw@rva.gov](mailto:Jaynell.Pittman-Shaw@rva.gov), by April 18, 2025. After DHCD receives this information, you will receive a link to upload the application and attachments via OneDrive.

Application packages will be available beginning April 3, 2025, on the DHCD website: <https://www.rva.gov/housing-and-community-development>.

**Staff Consultations:** Entities who intend to apply may request a staff consultation via TEAMS meeting or in person to discuss the proposed project before application submission. Please email Avrian Gray at [Avrian.Gray1@rva.gov](mailto:Avrian.Gray1@rva.gov) to schedule an appointment. Staff resources are limited, and consultations may not be available before the initial deadline.

**Questions and Clarifications:** All program and application questions must be in writing and emailed to [HCD.development@rva.gov](mailto:HCD.development@rva.gov). All answers to questions will be posted on HCD’s website at <https://www.rva.gov/housing-and-community-development> weekly on Friday by noon beginning on April 11, 2025. No questions will be answered or posted after May 16, 2025.

NOFA SCHEDULE TIMELINE	
Activity	Schedule Date*
Posting of NOFA	April 3, 2025
Applications Available	April 3, 2025
Application Opens	April 3, 2025
Initial Application Deadline	May 16, 2025
Initial Review of Applications	May 18, 2025
<i>Applications will be accepted on a rolling basis after the initial deadline until funds are committed or expended.</i>	

**\*Please note these dates are subject to change**

## Application Instructions

Applicants should review the entire NOFA package, as the application includes a certification that they will comply with all requirements. Prior to the application deadline, please check the Housing and Community Development website regularly for any updates, corrections, or posted questions and answers regarding this NOFA. An application packet for each project that an applicant proposes to receive funding for must be submitted. Please read all of the information carefully before submitting.

Applications will be accepted for new construction rental, preservation rental, and new construction homeownership projects. Lease-Purchase Demonstration projects are eligible for funding. Evaluation for all projects consists of a four-part, 200-point evaluation criteria. Applications are evaluated based on the following criteria: Project Readiness (80 points), Project Location (40 Points), Target Population and Project Attributes (50 Points), and Developer Experience and Capacity (30 Points).

The application must be submitted using only DHCD’s Excel document.

**DHCD reserves the right to request additional information or clarification of Applicant submissions. Applicants will have 7 calendar days from the date of email notification to the email address provided**

**to respond to any request for additional information by DHCD. Applications that are deemed substantially incomplete will be rejected.**

### 1. DHCD Application Form and Checklist

Complete the entire Excel application form and checklist, including the financial analysis worksheets.

### 2. Project Summary

Applications must include a narrative cover letter that provides a basic description of the project. The cover letter should include, but is not limited to, the following:

#### Summary Information

- Location
- Total development cost
- Total financing gap
- Amount of financing requested
- Target population served
- Description of proposed financing plan

#### Site Information

- Current use of the site
- Distinguishing features
- Any environmental issues, including proximity to industrial zoning and/or industrial uses

#### Physical Characteristics

- Type of construction
- Number of stories
- Number and size of units (number of bedrooms)
- Distinguishing features
- Location, type, and number of parking spaces
- On- and off-site improvements required

#### Amenities and Services

- Common facilities and amenities
- Resident services programs (if included)

### 3. Project Design

DHCD recognizes that the project design is likely to be modified as the design process continues. A minimum of 50% of Architectural Plans is required for application submission. To limit the size of submissions, please submit only the following elements of architectural plans:

- Site plan with building footprints for all buildings (Homeownership projects must show the individual home lots.)
- Building floor plans for all multifamily residential and community buildings
- Floor plan for each unit type
- Building elevations
- Renderings (if available)

### 4. Financial Analysis

Applicants must submit a complete financial analysis sufficient to allow DHCD staff or consultants to assess the financial viability of the project and confirm that, but for the DHCD's gap funding, the project would not be economically feasible. If the proposal includes market-rate units, the submission must include the costs for all units in the project. Applicant will be contacted if clarifications are required.

**Financial analysis items may be submitted in .pdf or Excel format. DHCD and/or third-party underwriters will conduct their financial analysis from the information provided in the Excel application, which will be compared to the developer's financial analysis. DHCD or its third-party underwriter will contact the development team to resolve any significant discrepancies. At its sole discretion, DHCD may require financial analysis items to be provided in an unlocked Excel file in order to effectively "stress" the economic feasibility of the development and confirm the funding gap. If**

**such an Excel file is required, DHCD will consider such submission as a confidential proprietary work product of the developer.**

**Financial analysis for rental projects must include:**

- **Sources and Uses of Funds** - Detailed sources and uses must be provided, showing all equity, debt, and requested gap funding from the City.
- **Development Budget** - The Applicant shall provide a comprehensive development budget with sufficient detail so that the DHCD can determine the cost reasonableness of the project.
- **Operating Budget** - Applicants shall provide an operating budget broken down into cost categories, including administrative costs, utilities, maintenance, taxes, and insurance.
- **Operating Proforma** - Applicants shall provide a cash flow analysis and proforma with sufficient detail to determine the overall project feasibility. For multifamily rental developments, the cash flow and pro forma must be for at least 30 years. For infill projects, the cash flow and pro forma must be for at least 15 years. The following assumptions must be used in the 30-year pro forma. These assumptions may be adjusted during underwriting for just cause.
  - 7.5% annual vacancy/collection loss for family and senior projects
  - 3% annual increase for expenses (other than property taxes and replacement reserves)
  - 2% annual increase for property tax, if applicable
  - 2% annual increase in income
  - First year operating expenses should equal the annual total shown in the Operating Budget
  - Annual replacement reserves appropriate for the project type
  - Partnership and/or Asset Management fees are allowable
- **Unit Size and Affordability Matrix** - A unit matrix stating the unit type, size, affordability, maximum affordable or market rent or sales price, utility allowance for rental units, and total expected annual rent proceeds must be included in the matrix.

**Financial analysis for homeownership projects must include:**

- **Sources and Uses of Funds** - Detailed sources and uses must be provided, showing all equity, debt, and requested gap funding from DHCD.
- **Development Budget** - The Applicant shall provide a comprehensive development budget with sufficient detail so that DHCD can determine the cost reasonableness of the project.
- **Financial Summary Showing Sales Schedule** - Applicant shall provide an operating budget, cash flow, and pro forma with sufficient detail to determine the overall project feasibility and confirm that, but for the DHCD's gap funding, the project would not be economically feasible. For-sale affordable developments must provide a cash flow and pro forma for as long as the longest term of financing stated in the sources and uses of funds.
- **Unit Size and Affordability Matrix** - A unit matrix stating the unit type, size, affordability, maximum affordable or market sales price, and total expected sales proceeds must be included in the matrix.
- **Maximum Affordable Sales Price Calculations** – Applicant must include affordability calculations for each affordable unit type in the project.

## 5. Development Schedule

Provide a detailed schedule with dates for project milestones.

**All projects must be able to achieve financial closing within 9 months of application approval. If closing has not occurred by that date, or in DHCD's sole opinion, it becomes evident that closing will not occur in that timeline, DHCD may, at its sole discretion, rescind the award and/or place the project back on the waiting list without further action from DHCD.**

## 6. Site Control

At the time a proposed project is submitted, the applicant must demonstrate that it has site control for the property for which funding is being requested, and will maintain site control until the land is acquired through one of the following:

- Grant Deed evidencing fee title ownership
- Purchase agreement, including evidence that the agreement is of a term sufficient to hold the property until the anticipated date of purchase
- Option to purchase or lease, including evidence that options are renewable until the start of construction
- Long-term lease agreement
- Executed land sales contract or other enforceable agreement for acquisition

## 7. Appraisal

Submit the most recent appraisal for the project. Appraisals should be no older than six months. DHCD will accept appraisals up to one year old for application, but may require an update of the appraisal before closing.

## 8. Environmental Review

Submit the Phase I environmental report (or other required environmental review) completed for the project. Include your plan to remediate findings in the report and/or evidence of any remediation work completed as a result of the report. Include the Phase II report if applicable. Environmental reports older than one year may require an update before closing.

## 9. Market Study

Submit the most recent market study for the project. Market studies older than one year may require an update before closing.

## 10. Capital Needs Assessment (Preservation and Adaptive Reuse Only)

Submit the capital Needs Assessment completed for the project.

## 11. Scope of Work

Include a detailed scope of work for all projects. Scope of work for preservation projects should specify the level of finish for all units and include sitework specifics. The scope of work for new construction projects should include site, unit, and community building features.

## 12. Relocation Plan and Budget (Preservation and Public Housing Redevelopment Only)

If residents are to be relocated on-site during construction, the applicant may provide a chart or simple narrative describing how residents will be relocated. If the project involves temporary or permanent relocation of residential or commercial tenants of the site, applicants must provide a narrative Relocation Plan. If the proposed project is financed with federal funds, the provisions of the Uniform



Relocation Act (URA) may apply. Additional federal and/or state relocation requirements may also apply. For any proposed project that includes permanent displacement of existing tenants (whether or not subject to URA requirements) application must include a relocation plan to be approved by DHCD that:

- Minimizes permanent displacement from the proposed project. In the event of permanent displacement, Applicants will be required to provide compensation to affected tenants that is otherwise in alignment with URA requirements.
- Provides reasonable notice to affected tenants before any temporary relocation and covers all reasonable out-of-pocket costs incurred by tenants as a result of moving from one unit to another within the proposed project or temporarily vacating their units to allow rehabilitation work to proceed; and
- Meets all applicable federal, state, or local laws relating to the displacement of tenants.

A HUD-approved relocation plan will satisfy this requirement for Public Housing redevelopment projects.

### 13. Financing Commitments

#### **Permanent Financing Commitments (Rental Only)**

List all permanent sources of funds for the project in the space provided in the application. Use as many rows as necessary. To score points for committed funding, attach evidence of enforceable commitments for each source. A Letter of Interest is not considered an enforceable commitment. For a commitment to be considered enforceable, it must:

1. Be in writing, stating the essential terms of the financing;
2. be subject only to conditions within the control of the applicant, but for obtaining other sources such as DHCD financing; and
3. be executed by an authorized officer of the grantor, lender (other than a mortgage broker), or other agency providing the commitment or award.

If land or buildings will be donated, the value of the donation should be included as an acquisition cost, and as a source of funds in the Financial Summary and in the Financing Commitments. Projects under construction will automatically receive full points for this category.

#### **Construction Financing Commitments (Ownership Only)**

List all construction sources of funds for the project in the space provided in the application. Use as many rows as necessary. To score points for committed funding, attach evidence of enforceable commitments for each source. A Letter of Interest is not considered an enforceable commitment. For a commitment to be considered enforceable, it must:

1. Be in writing, stating the essential terms of the financing;
2. be subject only to conditions within the control of the applicant, but for obtaining other sources such as DHCD financing; and
3. be executed by an authorized officer of the grantor, lender (other than a mortgage broker), or other agency providing the commitment or award.

If land or buildings will be donated, the value of the donation should be included as an acquisition cost, and as a source of funds in the Financial Summary and in the Financing Commitments.

#### 14. Rental or Operating Subsidies (If Applicable)

If the project expects to receive a source of rental or operating subsidies, please describe the source and amount of subsidy, whether or not the subsidy is committed to the project (if committed, please provide evidence of commitment), and specify the term of the subsidy.

#### 15. Zoning and Planning Approval

All submissions must have appropriate zoning in place or have been submitted for zoning approval at the time of application. If zoning is by-right, the Applicant must include evidence that the project conforms with current zoning. Evidence should include a zoning map of the property and an excerpt from the applicable zoning code specifying what is allowable under the zoning designation. A Zoning Confirmation Letter (ZCL) may also serve as evidence of the by-right zoning. If a rezoning or exception has been completed for the project, an approval letter shall be provided by the applicant. If a zoning application has been submitted, but not yet approved, include evidence of submission.

Submissions must also have planning approvals in place or have been submitted for planning approval at the time of application. Include evidence of discretionary land use approvals (Approval Letter, Conditions of Approval, and any extensions to planning approvals received) that have been received for the project. If land use approvals have been submitted, but not yet received, include evidence of submission.

#### 16. Location Maps

Include maps related to each of the location scoring criteria (if points are being requested). Maps should clearly show the distance from the proposed project to any of the scoring criteria items.

- Proximity to public transportation – show whether the project is within ¼ mile or ½ mile of high frequency transit stop or 1 mile from an existing or planned BRT stop.
- Proximity to grocery and/or drug store – show all full-service grocery stores and drug stores within one mile of the project. Label the distance between each store and the project.
- Proximity to open space, park space, or playground space. If the project includes open space, park space, or playground space, note this on the map and include information about the planned space in the project site information.

#### 17. PSH/Special Needs Documentation

In addition to item 14, Permanent Supportive Housing projects must include the following items to receive points:

1. Letter of support from the local Continuum of Care.
2. Supportive Services Plan appropriate for the population to be served.
3. Contract(s) or MOU(s) with service provider(s) describing services to be provided.

Non-PSH projects that will have units reserved for special needs populations must submit the following:

1. Narrative describing the population to be served, how many units will be set aside for the population, and how residents will be selected for the property.
2. Supportive Services Plan appropriate for the population to be served.
3. Contract(s) or MOU(s) with service provider(s) describing services to be provided.

#### 18. Green Building Certification

Include evidence of compliance or commitment to comply with any of the approved environmental building standards. Evidence may include proof of enrollment, prebuilding approval, certification

checklist, scoring spreadsheet, or other documentation appropriate for the selected program. If points are awarded in this category applicant must submit proof of compliance post-construction. Acceptable environmental building standards include:

- BREEAM (Building Research Establishment Environmental Assessment Method)
- LEED (Leadership in Energy and Environmental Design)
- WELL Building Standard
- Fitwel Standard
- SKA Rating
- Active House
- The DGNB System
- Living Building Challenge
- Passive House Certification
- Energy Star Certified Buildings

If an environmental certification is not being sought, applicants may receive partial points in this category by submitting one of the following.

- A detailed narrative explaining how the applicant’s project furthers the objectives of RVAgreen 2050. The narrative must include a list with references to specific items in the Richmond Sustainable Design Standards manual. The full plan can be accessed at <https://www.rvagreen2050.com/rvagreen-2050-plan>. The design standards manual can be accessed at <https://www.rvagreen2050.com/sds>.
- A letter certifying the use of Energy Star appliances throughout the development.

## 19. Developer Team Experience

As a cover page to this Exhibit, indicate which of the following Development Team Members have been selected and identify them.

- Developer, if different from applicant
- Architect(s)/Engineer(s)
- General Contractor
- Property Management Agent
- Syndicator/Investor

Include resumes for key staff of the developer, architect, general contractor, and property manager who will be assigned to the project.

## 20. Nonprofit/Public Participation

Projects directly related to the redevelopment of Richmond’s “Big Six” public housing sites need not submit documentation for this requirement if the project is being constructed on-site. For off-site redevelopment, the applicant must submit documentation that a minimum of 25% of the constructed units will be reserved for existing residents of the specific Big Six development.

All projects seeking points for the participation of a nonprofit partner, including housing authority projects not directly related to the redevelopment of the Big Six public housing sites, must submit the following:

1. Most recently filed IRS 990 Form for the nonprofit entity. Form must show financial activity commensurate with the role of the organization in the project being undertaken. Nonprofits

not required to file Form 990 must submit a statement setting out the reason a 990 filing is not required. DHCD will contact the organization during the application review period to determine what documentation will be required.

2. A brief statement specifying the conditions for which the applicant is claiming points.
3. Signed contracts setting out the conditions under which the applicant is claiming points. The relevant language must be highlighted in the submitted agreements.

## Scoring Criteria

Complete applications will be scored in the following categories. Maximum points in each category are noted. The discussion that follows contains a more detailed description of the criteria. Some categories do not apply to certain types of projects. As a result, scores are calculated as the percentage of points attained out of the total points possible for each project type.

	<i>Rental</i>	<i>Owner</i>
<b>Readiness</b>	<b>80 pts</b>	<b>80 pts</b>
Leveraging	20	20
Funding Commitments	20	20
Zoning Approval	20	20
Planning Approval	20	20
<b>Location</b>	<b>40 pts</b>	<b>40 pts</b>
Proximity to Public Transit	15	15
Proximity to Grocery or Drug Store	15	15
Proximity to Parks	10	10
<b>Target Population and Project Attributes</b>	<b>50 pts</b>	<b>50 pts</b>
Income Targeting	20	25
Permanent Supportive Housing	5	N/A
Units for People with Special Needs	5	N/A
Environmental Certification	20	25
<b>Developer Experience and Capacity</b>	<b>30 pts</b>	<b>30 pts</b>
Developer Experience Exceeds Minimum	20	20
Public Entity/Nonprofit Participation	10	10
<b>Total Possible Points</b>	<b>200</b>	<b>200</b>
<b>Minimum Points Needed to be Considered for Funding</b>	<b>100</b>	<b>100</b>

## Scoring Discussion

### I. Project Readiness (80 points)

#### A. Leveraging: Degree to which outside funding will be pursued (20 points).

- Points will be awarded for Applicant’s equity and permanent financing (excluding City of Richmond resources) as a percent of the total development costs.  $[(\text{leveraged financial resources}/\text{total development costs (TDC)}) * 100]$
- City of Richmond resources include loan and grant funds received by or committed to the project (including HOME and CDBG funds) and the value of any land donations or below-market sales/ground leases.
- Points will be awarded based on the following table:

Leveraged Financial Resources as a Percent of TDC at or Greater than:	Points
10%	4
20%	6
30%	8
40%	10
50%	12
60%	14
70%	16
80%	18
90%	20

#### B. Funding Commitments: Degree to which outside funding has been committed (20 points).

- Points will be given based on non-City financing currently committed to the project, as follows:

Committed Financial Resources as a Percent of TDC equal to or above:	Points
10%	2
20%	4
30%	6
40%	8
50%	10
60%	12
70%	14
80%	16
90%	18
100%	20

- Up to 5 points will be awarded for each commitment of long-term operating subsidy (e.g., Project-Based Section 8 vouchers).

**C. Zoning Approval (20 points)**

- Maximum points are awarded for sites that have obtained zoning approvals (obtaining building permits is not necessary to score points).
- Projects that have submitted their application for zoning approvals will receive 6 points.

**D. Planning Approval (20 points)**

- Maximum points are awarded for sites that have obtained discretionary land use approvals (obtaining building permits is not necessary to score points).
- Projects that have submitted their application for planning approvals will receive 6 points.

II. **Location (40 points)**

**A. Proximity to public transportation (15 points)**

- Full points require a project location within 1/4 mile of a High Frequency Transit stop or 1 mile of a Richmond Bus Rapid Transit (BRT) system stop.
- 10 points will be awarded for a project location within 1/2 mile of a High Frequency Transit stop.

**B. Proximity to full-service grocery or drug store (15 points)**

- A project location within 1/4 mile of a full-service grocery store (where staples, fresh meat, and fresh produce are sold) will score full points.
- A project location within 1/2 mile of a full-service grocery store will score 10 points.
- A project location within 1 mile of a full-service grocery store will score 5 points.
- A project location within 1/4 mile of a drug store with a pharmacy will score 7 points.
- A project location within 1/2 mile of a drug store with a pharmacy will score 5 points.
- A project location within 1 mile of a drug store with a pharmacy will score 3 points.
- The required map in the application must show the location of the full-service grocery store and must include a description of the store(s) demonstrating the required elements.
- Applicant may receive points for both grocery store and drug store proximity, but a maximum of 15 points will be awarded.

**C. Proximity to parks (10 points)**

- A project that is within 0.25 miles of a Neighborhood, Community, Metropolitan, or Regional Park will score 10 points.
- A project that is within 0.5 miles of a Neighborhood, Community, Metropolitan, or Regional Park will score 7 points.
- Projects incorporating usable open space, park space, or playground space within the site will be awarded 3 points.

III. **Target Population/Project Attributes (50 points)**

**A. Income Targeting (20 points rental, 25 points homeownership)**

**Rental Projects:** Points are awarded for rental projects providing extremely low-income and very low-income rental units.

- 2 points will be awarded for each full five percent of units with restricted rents at or below the 30% rent limit, adjusted for unit size. Public Housing (ACC) units and Rental Assistance Demonstration (RAD) program units will be counted as 30% AMI units.

- 1 point will be awarded for each full five percent of units with restricted rents at or below the 50% rent limit, adjusted for unit size.
- 0.5 points will be awarded for each full five percent of units with restricted rents at or below the 80% rent limit, adjusted for unit size.
- Units with Project Based Section 8 or other rental subsidy contracts (not including units counted above) will be awarded 2 points for each full five percent of subsidized units funded by vouchers.

**Ownership Projects:** Points are awarded for ownership projects that are affordable for a family earning 80% of AMI (adjusted for unit size) for at least 20% of the units in the project.

- 6 points will be awarded for each full twenty percent of units with restricted rents at or below the 80% rent limit, adjusted for unit size.
- 2 points will be awarded for each full twenty percent of units with restricted rents at or below the 120% rent limit, adjusted for unit size.

To earn points in this section, the annual payment for principal, interest, taxes, and insurance, less any subsidy, does not exceed 30% of the annual income for a family earning 80% or 120% of AMI for the City of Richmond, as updated annually by HUD. Upon award, applicants will have to contractually commit to sales prices to the buyer that will result in the PITI used to earn points in this section.

**B. Permanent Supportive Housing (5 points, rental projects only)**

- Projects will receive 1 point for a letter of support from the local Continuum of Care.
- Projects will receive 3 points for a commitment to project-based vouchers.
- Projects will receive 1 point for signed contracts or MOUs with the appropriate service providers. If the owner is providing direct services, a commitment letter or a board resolution will satisfy this requirement.

**C. Housing for Households with Special Needs (5 points, rental projects only)**

- One point awarded for each 10% of the affordable units set aside for households with special needs, up to a maximum of 10 points.
- To receive points, a Resident Services Plan must be submitted that demonstrates how essential supportive and social service needs of the population will be provided and funded. Providing accessible units will not, in and of itself, be sufficient to score points.
- To receive points, an executed contract or MOU with a service provider that will deliver the services described in the Resident Services Plan must accompany the Resident Services Plan. If the owner is providing direct services, a commitment letter or a board resolution will satisfy this requirement.
- Permanent Supportive Housing Projects receiving points in part B above will receive full points for this category.

**D. Green Energy Buildings (20 points rental, 25 points homeownership)**

- Projects that demonstrate compliance with an accepted green energy building program will receive full points for this category. Projects receiving points for a green energy building program are required to submit program certification to DHCD at construction completion.

- Projects that can document a tangible effort to further the objectives of RVAgreen 2050 will be awarded half points in this category (10 points for rental, 12.5 points for homeownership). A detailed narrative explaining how the applicant’s project furthers the objectives of RVAgreen 2050 is required. The narrative must include a list with references to specific items in the Richmond Sustainable Design Standards manual. DHCD staff, at its sole discretion, will determine if the developer’s efforts in this area go beyond standard building practices enough to award points in this category.
- Projects that certify the use of 100% Energy Star appliances throughout the project will receive 5 points for rental projects and 6 points for homeownership projects.

#### IV. Developer Experience and Capacity (30 points)

##### A. Developer Experience (20 points)

- Points are awarded for completing more than one affordable or mixed-income housing project within the last ten years (by the applicants, not other team members). 5 points will be awarded for projects 2-4. One point will be awarded for each additional project (up to 20 points).
- If the applicant is a joint venture, the higher individual score will be used provided the party has at least a 25% interest in the project.

##### B. Public Entity/Nonprofit Participation Category (10 points)

- A total of 5 points will be awarded if the proposal is for a project directly related to the redevelopment of Richmond’s “Big Six” public housing sites and is being constructed on-site. For off-site redevelopment, the applicant must submit documentation that a minimum of 25% of the constructed units will be reserved for existing residents of the specific Big Six development.
- An additional 2 points will be awarded to the homeownership phase of any Big Six redevelopment project.
- 5 points will be awarded for all other housing authority projects that include ownership of the underlying development site and a stake in the ownership structure of the development by the housing authority (Rental);
- 5 points will be awarded if the lead developer is a nonprofit entity other than the housing authority;
- 5 points will be awarded if, within a joint venture partnership, the less experienced partner is a nonprofit organization (not a public housing authority) and is provided with at least 25% of the developer fee.
- 5 points will be awarded if, within a joint venture partnership for a LIHTC financed development, the nonprofit partner (or housing authority) is allowed first right of refusal to purchase the project after the 15-year tax credit compliance period (Rental);
- Nonprofit entities created to respond to this application, nonprofits that, in the opinion of DHCD, lack the experience and capacity to meaningfully contribute to the project, and nonprofits with an identity of interest with the for-profit developer will not be eligible for points.



## Definitions

**Affiliate** is an individual, corporation, partnership, joint venture, limited liability company, trust, estate, association, cooperative or other organization or entity of any nature whatsoever that directly, or indirectly through one or more intermediaries, has Control of, is Controlled by, or is under common Control with any other person. All entities that share a Principal are Affiliates.

**Affordable** means housing units that are restricted for sale, lease-purchase, or rent to households earning 30% - 80% of the City of Richmond Median Income and where the household spends no more than 30% of their adjusted monthly income on housing-related expenses.

**Affordability Period** means the period that units set aside for households earning 30% - 80% of the City of Richmond Median Income shall remain affordable. The earning range will be from 60%-120% for eligible homebuyers only.

**Applicant** means any individual or group of individuals and any Affiliates who apply for a funding award under this NOFA.

**Control** (including the terms “Controlling” and “Controlled by” and/or “under common Control with”) means the power, ability, or authority, acting alone or in concern with others, directly or indirectly, to manage, direct, superintend, restrict, regulate, govern, administer, or oversee.

**Developer** means any Person entering a contractual relationship with the Owner to provide Developer Services concerning the Project and receiving the right to earn a fee for such services and any other Person receiving any portion of a Developer Fee, whether by subcontract or otherwise, except if the Person is acting as a consultant with no Control.

**Eligible Homebuyer** means a potential homebuyer with a household whose income is between 60% - 120% of the City of Richmond Area Median Income.

**Environmental Reports** are a Phase I environmental site assessment and, if applicable, a Phase II environmental site assessment.

**Full Scale Grocery Store** is a store that sells a full line of groceries, meat, produce, and dairy products.

**General Contractor** means any Person who contracts to perform the construction or rehabilitation of an entire Project, rather than a portion of the work. The General Contractor hires subcontractors, such as plumbing contractors, electrical contractors, etc., coordinates all work, and is responsible for payment to the subcontractors.

**High Frequency Transit** is accessible public transportation where the frequency of departures and arrivals is no more than every 30 minutes.

**HUD** means the United States Department of Housing and Urban Development.

**Identity of Interest** means (whether such term is capitalized) is any relationship based on family ties or financial interests between or among two or more entities involved in a Project-related transaction, which reasonably could give rise to a presumption that the entities may not operate at length. Beyond this general definition, an identity of interest relationship will be deemed to exist if: 1) An entity, or any owner of any direct or indirect ownership interest in such entity, or any family member of any such owner is also an owner, through a direct or indirect ownership interest, or an officer, director, stockholder, partner, trustee, manager, or member of the counterparty/other entity; or 2) Any officer,

director, stockholder, partner, trustee, manager, member, principal staff, contract employee or consultant of an entity, or any family member of thereof, is an owner, through any direct or indirect ownership interest, or an officer, director, stockholder, partner, trustee, manager or member of the counterparty/other entity. For purposes of this definition, “family member” means the spouse, parents or stepparents, children or stepchildren, grandparents or step-grandparents, grandchildren, or step-grandchildren, aunts, uncles, parents-in-law, and siblings-in-law (or their children or stepchildren). It also includes any other similar relationship established by operation of law, including but not limited to guardianship, adoption, foster parents, and the like.

**Owner** means the Person or Persons who owns or proposes a Project or expects to acquire Control of a Project under a purchase contract or ground lease.

**A pharmacy** is a facility that dispenses and sells both prescription and non-prescription medicinal drugs.

**Proposed Project** means the proposed project of housing units for which an application has been submitted under this NOFA.

**Project Team:** all persons and Affiliates thereof that play a role in the proposed project, construction, rehabilitation, management, and/or continuing operation of the proposed project.

**Public Park** is land owned or managed by the City or local municipality, whether located inside or outside the City limits, that is planned, developed, or used for active or passive recreational use by the public.

**Special Needs** are defined as:

- Households where at least one individual has alcohol and/or drug addictions
- Persons with Disabilities
- Young adults aging out of foster care
- Persons protected by the Violence Against Women Act Protections (domestic violence, dating violence, sexual assault, and stalking)
- Persons with HIV/AIDS
- Homeless persons
- Veterans
- Wounded warriors (as defined by the Caring for Wounded Warriors Act of 2008)
- Persons recently released from incarceration

**Site Control:** To establish site control one of the following must be provided (i) a recorded warranty deed vesting indefeasible title in the Applicant or, if transferrable to the Applicant, an Affiliate of the Applicant, with corresponding executed settlement statement (or functional equivalent for an existing lease with at least thirty (30) years remaining); or (ii) a contract or option for lease with a minimum term of forty-five (45) years that includes a price; address and/or legal description; proof of consideration in the form specified in the contract; and expiration date; or (iii) a contract for sale or an option to purchase that includes a price; address and/or legal description; proof of consideration in the form specified in the contract; and expiration date.

**Substantial Rehabilitation** is one or more of the following:

1. Replacement of two or more major building components (roof, wall or floor structures, foundation, plumbing, central HVAC, or electrical system); or
2. Rehabilitation costs are 20% or more, exclusive of any acquisition and/or acquisition and development soft costs, of the property's replacement cost (fair market value) after completion of all required repairs, replacements, and improvements; or
3. Rehabilitation hard costs are \$20,000 or more per unit