

*Community Development Administration*

*Multifamily Housing Development Programs*

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**VIABILITY/DESIGN DEVELOPMENT REVIEW**

**SUBMISSION**

**PACKAGE**

# *Multifamily Rental Financing*

*Revised February 2024*



*The Maryland Department of Housing and Community Development pledges to foster the letter and spirit of the law for achieving equal housing opportunity in Maryland*.

## INSTRUCTIONS

Additional financial and construction information will need to be submitted to Housing Development Programs for **viability review**. This information is submitted after projects are selected for a reservation of funds. See next page for a flowchart illustrating stages in the underwriting and construction review process, including the viability submission and review stages. As part of the viability review, Department staff will underwrite the financing and review construction documents to ensure the financial feasibility and long-term viability of the project as affordable rental housing and compliance with the information and representations contained in the application.

* Applicants must submit the documentation described below within 90 – 120 days of the Kick-off Meeting held with Department staff. For more information concerning the Kick-off Meeting, please refer to the Multifamily Rental Financing Program Guide.

Applicants are to submit an electronic copy of the viability review package, including all applicable exhibits and attachments, via Drop Box. Each exhibit must be clearly tabbed so that a reviewer may easily find the necessary material. Use the Electronic Submission Package Request Form in the Multifamily Library to request an electronic application folder (<https://dhcd.maryland.gov/HousingDevelopment/Pages/MF/ApplicationRequest.aspx>). DHCD reserves the right to require printed copies of the application upon request. Projects that do not have a complete viability review package submitted within 120 days may be withdrawn from active processing.

Department staff will complete its underwriting and construction review within 60 days of the receipt of a complete viability review submission package. After completing this review, the applicant will receive a viability review report from the Department. The report will address questions and concerns with the material submitted and outline additional material that may need to be sent with the next submission package. If at any time the Department determines that the project is not financially feasible, is not viable as long-term affordable housing or that the project will not be carried out in accordance with the information and representations contained in the application, the reservation of funds may be withdrawn.

The documentation listed below is to be submitted by the applicant to initiate the viability review process. Details concerning the submission requirements for each exhibit are provided on the cover forms that follow. The required information is to be placed directly behind the applicable cover form. If the information is not applicable to the project, the cover form should be marked not applicable.

## CHECKLIST

**UNDERWRITING AND CONSTRUCTION REVIEW PROCESS**

*Multifamily Housing Development Programs*

**Announcement of LIHTC and RHFP Awards**

**Reservation Letter**

Issued to developer within thirty (30) calendar days of Notice of Award

**Kick-Off Meeting**

Held within thirty (30) calendar days of date of reservation letter

**Fast Track Processing**   
(per [Section 6.1.4](#Underwriting and Construction Review) of the Guide)

NO

**Viability Submission Kit**

Developer submits within ninety (90) calendar days of date of kick-off (one hundred and twenty (120) calendar days maximum) maximum)

**Viability Review Report**

Staff issues to developer within sixty (60) calendar days of receipt of submission package

**Commitment Submission Kit**

Developer submits within ninety (90) calendar days of Viability Report (one hundred and twenty (120) calendar days maximum)

**Commitment Review Report**

Staff issues to developer within seventy (70) calendar days of receipt of submission

YES

**Viability / Commitment Submission Kit**

Developer submits within ninety (90) calendar days of kick-off meeting (one hundred and twenty (120) calendar days maximum)

**Viability / Commitment Report**

Staff issues to developer within seventy (70) calendar days of receipt of submission

**Initial Closing**

**VIABILITY/DESIGN DEVELOPMENT REVIEW SUBMISSION PACKAGE**

* Exhibit A: Application For Viability Review

**DEVELOPMENT TEAM INFORMATION**

* Exhibit B: Notification of Changes

**MARKET INFORMATION**

* Exhibit C: Management Agent Experience and Marketing Plan

**FINANCIAL INFORMATION**

* Exhibit D: Other Financing

**CONSTRUCTION INFORMATION**

* Exhibit E: Cost Estimates
* Exhibit F: Plans and Specifications
* Exhibit G: Final Building Evaluation Report
* Exhibit H: Capital Needs Assessment
* Exhibit I: Survey
* Exhibit J: Environmental Assessment
* Exhibit K: Geotechnical Study
* Exhibit L: Draft General Contractor’s Contract
* Exhibit M: Architect’s Contract
* Exhibit N: Civil Engineer’s Contract

EXHIBIT A: APPLICATION FOR VIABILITY/DESIGN

DEVELOPMENT REVIEW

A revised CDA Form 202 Multifamily Rental Financing Application must be submitted which reflects all changes in the project, including current development and operating budgets and pro forma, since the previous submission. A CDA Form 202, produced in an excel format recorded on a CD must also be submitted with this package.

**ATTACHMENTS**

* CDA Form 202 Multifamily Rental Financing Application (form available through DHCD’s website at <http://dhcd.maryland.gov/HousingDevelopment/Pages/MFLibrary.aspx>)
* Certifications - A copy of the Certifications must be executed and included with the application (Attached)

**CERTIFICATIONS**

The undersigned hereby makes application to the Department for a loan and/or tax credits pursuant to one or more of the Department’s Rental Housing Financing Programs and certifies the following:

**LOAN REQUIREMENTS**

The undersigned acknowledges the loan may be secured by the lien on the property herein described and evidenced by a promissory note. The undersigned certifies that housing produced with the proceeds of the loan will be rented to income eligible households within the income limits set by the Department for the specific period.

**PARTNERSHIP HOUSING (Local Governments Only)**

The undersigned acknowledges that if the Local Government should fail to maintain the housing for the purposes agreed to herein or sells all or part of the project funded with the loan, the loan plus the sum of all interest paid by the State on bonds or other moneys of the State used to fund the project must be repaid to the Department.

**EQUAL OPPORTUNITY**

The applicant agrees that it will not discriminate on the basis of race, color, religion, national origin, sex, marital status, sexual orientation, physical or mental disability, or age, except with regard to age as permitted under the federal Housing for Older Persons Act, as amended from time to time or other similar federal laws, in the leasing of or otherwise providing dwelling accommodations at the property or in any other aspect of the development, administration, operation, construction, repair or maintenance of the property or in any aspect of employment by the applicant.

The applicant agrees that it will comply with all applicable provisions of federal, State and local laws and the Department of Housing and Community Development policies regarding discrimination, equal opportunity in employment, housing and credit practices, and drug and alcohol free workplaces including, but not limited to: Title VI and VII of the Civil Rights Act of 1964, as amended; Title VIII of the Civil Rights Act of 1968, as amended; the Fair Housing Act Amendments of 1988, as amended; Title 20 of the State Government Article of the Annotated Code of Maryland, as amended; State of Maryland Executive Order 01.01.1989.18 relating to drug and alcohol free workplaces; the Secretary's Minority Business Enterprise Program, as amended; and the Americans with Disabilities Act of 1990, as amended.

**TENANT RELOCATION**

The undersigned certifies that no tenant living in any residential unit in the property to be rehabilitated has been forced to move by the applicant without cause in the twelve month period preceding the submission of this application and that no tenants will be forced to move without cause prior to loan closing except to rehabilitate the project in compliance with an approved relocation plan. The undersigned further agrees to comply with the relocation requirements of the Department if any residential tenant is required to be temporarily or permanently displaced as a result of the rehabilitation undertaken pursuant to this loan application.

**TAX CREDIT CERTIFICATIONS**

The undersigned certifies that the applicant has examined and understands Section 42 of the Internal Revenue Code of 1986 (“Section 42”) relating to Low-Income Housing Tax Credits and the project described herein qualifies under Section 42 for the credits requested. The undersigned is solely responsible for compliance with Section 42 and any regulations. The undersigned is further solely

responsible for all calculations and figures relating to the determination of the eligible and qualified basis for the project and individual buildings and understands and agrees that the amount of credits is calculated by reference to the maximum figure submitted with this application as to the eligible and qualified basis.

The undersigned further represents and certifies that the project can be completed within the time schedule set forth herein and that the information contained in this application is true, correct, and complete to the best of the undersigned’s knowledge and belief and agrees to notify the Department promptly in writing of any changes in this information, including any changes in the sources and uses of funding for the project. The undersigned agrees to immediately notify the Department of a cancellation of the project, or if the project will not be completed within the proposed time schedule.

The undersigned understands and agrees that the Department, by accepting this application, has no obligation to reserve or allocate any or all of the credits requested and that the Department shall not be liable for any action regarding the project in reliance on this application or any credit reservation or allocation by the Department. It is further understood and agreed that the Department has the right to revoke any credit reservation or allocation after it had been made if, in the sole judgment of the Department, the project does not qualify for the credits or the project is not likely to be placed in service in the calendar year for which the credits were requested or to meet the requirements to carry over the credits. The undersigned agrees to, at all times, indemnify and hold harmless the Department against all losses, cots, damages, expenses, and liabilities of any nature of kind (including, but not limited to attorney’s fees, litigation and court costs, amounts paid in settlement, amounts paid to discharge judgments, and any loss from judgments) arising out of, or related to acceptance, consideration, approval or disapproval of this application.

**ACCESS TO PUBLIC ACT NOTICE AND WAIVER**

Applicants should give specific attention to the identification of information furnished to the Department under this application which they deem confidential, commercial or financial information, proprietary information, or trade secrets and provide any justification of why this information should not be disclosed under the Maryland Public Information Act, State General Provisions Article, Title 4 of the Annotated Code of Maryland. Applicants are advised that, upon request from a third party, the Department is required to make an independent determination as to whether the information may or must be divulged to that third party.

The information in this application will be disclosed to appropriate staff of the Department or the public officials for purposes directly connected with the administration of the programs for which its use is intended. Such information may be shared with State, Federal, or local government agencies that have a financial role on the project.

The Department intends to make available to the public certain information regarding projects submitting applications regardless of whether or not the project is recommended for reservation of funds by the Department. Some of this information may not be disclosed under Maryland’s Access to Public Records Act. By signing and delivering this application to the Department, you hereby AGREE TO WAIVE ANY RIGHTS TO OBJECT TO OR PREVENT THE DISCLOSURE TO THE PUBLIC OF THE FOLLOWING INFORMATION: applicant’s and sponsor names; name and address of the project; loan and /or tax credit amounts and terms (requested and/or approved); amounts and sources of other financing; total project cost; waivers (requested and/or received); explanation of amount and reason for State Bonus Points received (if any); total number of units; population served (elderly or family); and number of units reserved for persons with disabilities or special needs.

**GENERAL**

The undersigned hereby certifies that the development proposed in this application can be developed in accordance with the development budget set forth herein and operated in accordance with the operating budget set forth herein and further certifies that the information set forth herein and in any attachments in support hereof is true, correct, and complete to the best of his/ her knowledge and belief. The undersigned authorizes the Department to obtain credit information for the purpose of evaluating this application.

IN WITNESS WHEREOF, the applicant has caused this document to be duly executed in its name of this \_\_ day of \_\_\_\_\_\_\_\_\_\_\_, 20\_\_.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

(Full legal name of sponsor)

Signature: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Title: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

EXHIBIT B: NOTIFICATION OF CHANGES

If any changes have been made to the overall structure of the project (i.e., proposed, rents, funding sources, etc.), a narrative describing the proposed changes should be provided for evaluation. If there have been any changes in the development team members or their role in the project, the name of the project or the name of the ownership entity including a significant change which may impact their financial position, applicants must provide information concerning the changes. For changes in the role of a development team member, a synopsis of the change should be provided for evaluation. In addition, if any changes have been made to scope of work and development quality from original application, a narrative describing all changes must be provided.

**ATTACHMENTS**

* Overview of Changes in Project
* Synopsis of Changes in Development Team Member Role(s)
* Developer Experience, if applicable
* General Contractor Experience, if applicable
* Architect Experience, if applicable
* Management Agent Experience, if applicable
* **Not Applicable.** If there have been no changes in project, no additional information needs to be submitted with the viability review submission package.

**DEVELOPER EXPERIENCE**

For new development team members, the applicant must provide the following information on the new member. A CDA Form 203 Developer’s Qualifications that addresses the experience and qualifications of the team member must be submitted along with the supporting information listed below. This should contain information on the members’ experience with other projects of similar type, scale and complexity and in a similar capacity.

• Applicable organizational documents, including articles of incorporation, articles of organization, bylaws, partnership agreement, and operating agreement

• Certificate of Good Standing from the Maryland Department of Taxation and Assessment

• Most recent report filed with the Federal Securities and Exchange Commission or other federal or state agency, if applicable

• Resumes for each principal and affiliate of the development entity that will have responsibility for or involvement in the project

• Form HUD-2530—Previous Participation Certification

• Development Team Member Current Workload (form provided)

• Current financial statement of the development entity

• At least three business or professional references

**Developer Experience**

* CDA Form 203 Developer’s Qualifications and supporting information (form available through DHCD’s website at http://dhcd.maryland.gov/HousingDevelopment/Pages/MFLibrary.aspx)
* Articles of Incorporation
* Articles of Organization
* Bylaws
* Partnership Agreement
* Operating Agreement
* Certificate of Good Standing
* Reports filed with the Federal Securities and Exchange Commission or other federal or state agency
* Resumes
* Form HUD-2530—Previous Participation Certification
* Financial Statements
* References
* Contract Affidavit

**GENERAL CONTRACTOR EXPERIENCE**

A resume that addresses the experience and qualifications of the general contractor must be submitted. This should contain information on the contractor’s experience with other projects of similar type, scale and complexity and in a similar capacity. In addition, please submit AIA Document A305—Contractor's Qualification Statement with the Department’s supplement as part of the application.

**General Contractor Experience**

* Resume
* AIA Document A305—Contractor's Qualification Statement
* Supplement to the AIA Document A305—Contractor’s Qualification Statement (attached)
* Contract Affidavit

**ARCHITECT EXPERIENCE**

A resume that addresses the architect’s experience and qualifications must be submitted. This should contain information on the architect’s experience with other projects of similar type, scale and complexity and in a similar capacity. In addition, please submit AIA Document B305—Architect's Qualification Statement as part of the application.

**Architect Experience**

* Resume
* AIA Document B305—Architect's Qualification Statement
* Contract Affidavit

**MANAGEMENT AGENT EXPERIENCE**

Please submit the CDA Form 209 Management and Marketing Agent’s Qualifications as part of the application along with the supporting information listed below. This should contain information on the management agent’s experience with other projects of similar type, scale and complexity and in a similar capacity.

• Resumes for each member of the firm or the management division that will have responsibility for or involvement in the project, including the executive officer or partner-in-charge, supervisor and resident manager

• Form HUD 2530—Previous Participation Certification

• Sample management materials, including financial statements, budgets, work order system, maintenance programs, management plans and form of lease

• Sample marketing materials, including marketing plan, rental brochure, press release, photographs of models and community spaces, newspaper advertisements and direct mail advertisements

• Current financial statements of the firm

• References of the firm, including bank, professional and client

**Management Agent Experience**

* CDA Form 209 Management Agent’s Qualifications

(form available through DHCD’s website at <http://dhcd.maryland.gov/HousingDevelopment/Pages/MFLibrary.aspx>)

* Resumes
* HUD Form-2530—Previous Participation Certification
* Sample Management Materials
* Sample Marketing Materials
* Current Financial Statements
* References
* Contract Affidavit

***SUPPLEMENT TO THE AIA DOCUMENT A305—CONTRACTOR’S QUALIFICATION STATEMENT***

**SUPPLEMENTAL INFORMATION**

1. List which trades, if any, will be performed directly by the Firm’s own personnel or by identity of interest subcontractors, and not by outside subcontractors, in the construction of the proposed housing development. If none, so state.

1. Neither the contractor nor any director, stockholder, officer, employee or agent associated with the contractor nor any person, firm or corporation has any financial interest in said property, and has not received nor will receive any benefit from the acquisition of said property, including but not limited to rebate, refunds, commissions or fees, except as hereunder disclosed. If none, so state.

1. The undersigned hereby certifies that neither the Firm nor any partner, director, stockholder, officer, employee or agent associated with the Firm nor any person, firm or corporation having a financial interest in the affairs of the Firm, has agreed, or will agree, directly or indirectly, or with the Firm’s knowledge and consent, to give to any other party any payment or thing of value, profit or fee, or commission as an inducement for the granting of this contract, except as hereunder disclosed. If none, so state.

1. Has the Firm, under its present name or any previously used name, or any of its principals, ever commenced construction of a project that it has not completed, except those currently under construction? If yes, provide details. Use extra sheets if necessary.

1. In answering the following questions, the term “Principal” (as listed in paragraph 2 above) also includes any other Firm in which such person participated as a Principal.
   1. Have any of the Principals ever filed a petition of bankruptcy?

Yes No

* 1. Has there ever been a petition of bankruptcy filed against the Firm or any of the Principals?

Yes No

* 1. Has the Firm or any of the Principals ever made an assignment for the benefit of creditors?

Yes No

* 1. Are there any unsatisfied judgments or liens against the Firm or any of the Principals?

Yes No

* 1. Has the Firm or any of the Principals been a party to any litigation within the last five years?

Yes No

If the answer to any of the questions in paragraph 5 is yes, give details. Use additional sheets if necessary.

1. Has the Firm, or any of the Principals, ever been convicted of a crime? If yes, give details including the name of the entity or person, when and where convicted, and the crime or offense involved.

1. Can the Firm obtain 100% payment and performance bonds for constructing the subject development?

**CERTIFICATION**

The undersigned hereby certifies that the information set forth in this certificate, and in any attachments in support thereof, is true correct and complete to the best of his or her knowledge and belief.

***NOTICE:*** *Section 2-207, Article 83B, Annotated Code of Maryland provides in part: A person who knowingly makes or causes false statements for the purpose of influencing the action of the Administration “…is subject to a fine not exceeding $50,000 or imprisonment not exceeding five years, or both.”*

IN WITNESS WHEREOF, the General Contractor has caused this certificate to be duly executed in its name on this day of , .

NAME OF FIRM

By:

Name:

Title:

EXHIBIT C: AFFIRMATIVE FAIR HOUSING MARKETING PLAN GUIDELINES & PROJECT MARKETING PLAN

All projects, regardless of funding, must complete and submit an Affirmative Fair Housing Marketing Plan on the prescribed Form HUD-935.2A available for download at <https://www.hud.gov/sites/dfiles/OCHCO/documents/935-2A.pdf>. The DHCD Attachment to Form HUD-935-2A must be included. Approval of the Affirmative Fair Housing Marketing Plan is contingent on the following:

* Completely following instructions of Form HUD-935.2A; and
* Ensuring that property management staff have been instructed in writing and orally on non-discrimination and fair housing policies as required by 24 CFR 200.620(c).

A draft of the plan outlining the administrative and maintenance procedures for the development, proposed marketing plan for the units, and plan to provide services for the tenants should be developed. The plan should also include copies of the proposed form of lease. The Department will use the management and marketing plan to evaluate the reasonableness of the proposed operating expenses, rent-up schedule, marketing costs, compliance with Affirmative Fair Housing rules, and representations made in the application for funding. Issues that must be addressed in the management and marketing plan include the following:

1. Roles and responsibilities of the owner and the management agent
2. Staffing for the project including duties and responsibilities for each position
3. Marketing and tenant selection procedures
4. Procedures for determining tenant eligibility, initial certification of tenant income and re-certification of tenant income
5. Rent structure, security deposits and other charges to tenants
6. Maintenance procedures
7. Policies and procedures for collecting rent and other charges
8. Schedule and procedures for preparing and submitting periodic reports to the Department
9. Administrative procedures and processes

**ATTACHMENTS**

* Affirmative Fair Housing Marketing Plan on the prescribed Form HUD-935.2A (instructions included on form) available for download at https://www.hud.gov/sites/dfiles/OCHCO/documents/935-2A.pdf (additional guidance attached);
* DHCD Attachment to Form HUD-935-2A (attached);
* Draft Management and Marketing Plan (attached);
* Form of Proposed Lease;
* Forms for Work Orders and Inspections;
* Sample Management Materials;
* Sample Marketing Materials;
* Printout of project listing on mdhousingsearch.org; and
* Executed Contract or Memorandum of Understanding to provide notice of unit availability and accept referrals from public housing authorities, voucher administrators, or mobility counseling programs operating in the regional market area.

***AFFIRMATIVE FAIR HOUSING MARKETING PLAN***

***Additional Guidance***

The purpose of the Affirmative Fair Housing Marketing Plan (AFHMP) is to help owners offer equal housing opportunities regardless of race, color, national origin, religion, sex, familial status, or disability. The AFHMP is a marketing strategy designed specifically to target potential applicants who are least likely to apply for the proposed housing and the marketing activities outlined in the plan focus on making those least likely to apply aware of an available affordable housing opportunity.

The AFHMP outlines the plan the owner has to diversify the tenant/beneficiary population of an HUD assisted project and the plan is required by HUD regulations (24 CFR sections 200.600 – 200.625). Applicants/owners/developers should complete HUD form 935.2A (Affirmative Fair Housing Marketing Plan (AFHMP) – Multifamily Housing) to satisfy this requirement. Provided below is additional guidance for completing the form and the necessary attachments.

|  |  |
| --- | --- |
|  | **Additional Guidance** |
| **General:** |  |
| Use the most current form available | Go to <https://www.hud.gov/program_offices/administration/hudclips/forms/hud9a> Scroll down to Form 935.2a and click on the link to that form. It is recommended that this form is filled out on the computer. Follow the instructions on the HUD form regarding Nuance (the official HUD software for the creation of HUD forms). |
| **Part 1: Applicant/Respondent and Project Identification** | * Answer all questions; do not leave any questions blank. * If you do not have a contract number, enter TBD. (see question 1b.) * Be sure to include both the Market Area (typically a county) and the Expanded Market Area (typically an MSA) |
| **Part 2: Type of AFHMP** | * Answer all questions; do not leave any questions blank. Note that advertising must begin ***at least*** 90 days prior to initial or renewed occupancy for new construction and substantial rehabilitation projects (see question 2d.) |
| **Part 3: Demographics of Marketing Area** | * Complete Worksheet #1 as instructed. * Use the information gathered on Worksheet #1 to identify which groups are the least likely to apply. Check all applicable demographic groups (see question 3b.) * **Include a map showing the housing market area and the expanded market area.** |
| **Part 4: Marketing Program and Residency Preference (if any)** | * Please make a note that residency requirements are prohibited, but a preference is permissible. **All residency preferences must be approved by HUD.** If the proposed project has a residency preference, please provide your underwriter with a copy of the HUD approval and complete Worksheet #2. * Complete Worksheet #3 as instructed (question 4b.). Read the directions carefully. Each group checked off in question 3b. should be listed in the left hand column. Note that the community contact information includes: name of contact person, address, telephone, previous experience working with targeted population, approximate date contact was/will be initiated, and the specific role the contact will play in assisting with AFHM. * Complete Worksheet #4 as instructed (question 4c.). For each Targeted Population (listed across row 1 of the form), state the means of advertising that will be used, as applicable, and the reason for choosing this media. Also, include any languages in which the material will be provided, identify any alternative formats to be used (e.g. Braille, large print, etc.) and specify the logos (*as well as size*) that will appear on various materials. **Attach copies of the advertising or marketing material**. * Worksheet #4 Sample  |  |  |  |  | | --- | --- | --- | --- | | **Target Population →**  **Advertising Type ↓** | **Targeted Population**  HISPANIC | **Targeted Population**  BLACK | **Targeted Population**  ASIAN | | **Newspaper** | El Tiempo | Afro-American | Korean Times | | **Electronic Media** | Rent.com | Craigslist.com | Apartments.com | |
| **Part 5: Availability of the Fair Housing Poster, AFHMP, and Project Site Sign** | * Answer all questions; do not leave any questions blank. * Include the size of the project site sign and the size of the Equal Housing Opportunity logo. * If this is an existing project, signage should be in place (provide measurements as indicated. * If this is a new project, provide signage information from previous, similar, HUD assisted project. |
| **Part 6: Evaluation of Marketing Activities** | * Explain your quality assurance plan to evaluate marketing strategies. Describe the process for determining future marketing efforts based on the evaluation process. Include how often you will make this determination. |
| **Part 7: Marketing Staff and Training** | * Answer all questions; do not leave any questions blank. * Provide the titles of the staff positions involved in AFHMP/Fair Housing. * **Attach copies of any AFHMP/Fair Housing staff training materials and the past and anticipated training dates**. |
| **Part 8: Additional Considerations** | * This is the catch-all portion of the form. * Include any relevant information or considerations that may not have been adequately captured by other areas of the form. If there is nothing additional to add, indicate N/A in this box. |
| **Part 9: Review and Update** | Please review the form and sign/date where indicated. |

**Affirmative Fair Housing Marketing Plan**

**Attachment to HUD-935.2A**

In order to provide the greatest access to housing opportunities by Maryland’s residents and comply with Federal fair housing requirements, Maryland DHCD requires the following in addition to the attached Form HUD-935.2A:

Pursuant to Section 3.3.2 of the Guide \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ will include the

**(Name of the Project)**

Following provisions effective upon the completion of construction:

* Prohibit income requirements for prospective tenants with Housing Choice Vouchers or similar vouchers, including, but not limited to, VASH, Shelter Plus Care, Bridge Subsidy, and Continuum of Care;
* Eliminate local residency preferences;
* Ensure access to leasing offices for persons with disabilities;
* Provide flexible application and office hours to permit working families and individuals to apply;
* Encourage credit references and testing that take into account the needs of persons with disabilities or special needs;
* Provide notice of unit availability and accept referrals from public housing authorities, voucher administrators, and mobility counseling programs operating in the regional market area, and formalize such arrangements in the form of contracts or Memorandums of Understanding;
* An agreement to certify to DHCD annually that the owner accepts vouchers and does not employ practices that have the effect of excluding voucher holders, such as screening standards that require incomes at two or three times the monthly contract rents, and
* Develop marketing strategies to identify applicants that are least likely to apply.

In the event HUD updates Form HUD-935.2A or DHCD later publishes additional AFHMP requirements, applicants will be required to use the newest versions of such forms and/or criteria available.

**DEVELOPER**

Signed: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Printed Name and Title: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Company Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**MANAGEMENT AGENT**

Signed: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Printed Name and Title: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Company Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**DHCD**

Signed: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Printed Name and Title: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Company Name: Maryland Department of Housing & Community Development\_\_\_\_\_\_\_\_\_\_\_\_\_

***GUIDELINES FOR DEVELOPING***

***A MANAGEMENT AND MARKETING PLAN***

To meet the Department’s criteria, a management and marketing plan must address the administrative and maintenance procedures for the development, proposed marketing plan for the units and plan to provide services for the tenants. Specific issues that must be addressed in the management and marketing plan include the following:

**ROLES AND RESPONSIBILITIES**

Describe the roles and responsibilities of the owner and the management agent.

1. Who is responsible for representing the owner in matters relating to management of the project?

1. What are the lines of authority, responsibility and accountability within the management structure?

1. Are there any limits on the authority of the management agent and under what circumstances must the management agent secure the owner’s approval before implementing any action affecting the project and not specifically addressed in the management agreement?

**STAFFING**

Address the management and maintenance staffing needs anticipated for the project.

1. Will the project include on-site management and maintenance staff?

1. What are the anticipated staffing needs for the project (specify the duties and responsibilities of each position and to whom each person reports)?

1. What are the salaries, wages and fringe benefits, including rent-free apartments, for each staff person assigned to the project?

1. What qualifications are required for each staff position including number of years of experience, specific type of experience and educational requirements?

1. What will be the management agent’s hiring procedures and personnel policies (address any staff training programs, employee grievance procedures, employee termination procedures and procedures for complying with equal opportunity requirements)?

1. Are there any conditions or requirements that apply to employee apartments?

**MARKETING AND TENANT SELECTION**

Detail the proposed marketing and tenant selection procedures to be used for the project.

1. What affirmative marketing practices will be implemented (such as marketing strategy, advertising, timing for accepting applications, content of advertising and promotional material and cost)?

1. In accordance with AFHMP rules, what demographic groups have you determined to be least likely to apply without targeted outreach and marketing? What procedures will be used to monitor and evaluate the effectiveness of the AFHMP and to update it?

1. What methods will be used to market the units to any preference categories for very-low and extremely-low income families in accordance with any representations made in your application for funding?

1. What arrangements have you made with PHAs and voucher programs in the market area and expanded market area to seek and accept referral families on their waiting lists as well as their voucher holders? What methods will be used?

1. What are the procedures for instructing rental staff on the requirements of local, state and federal fair housing laws (including Title VIII of the federal Civil Right Act of 1968 and the Maryland Governor’s Code of Fair Practices)?

1. What are the tenant screening criteria (such as credit standards, reference checks, income certification and verification and affordability standards)?

1. What are the tenant selection criteria (including any preference categories and family composition for various sizes or type of units)? Are your tenant screening and selection criteria posted on your website and in your leasing office? How will you record demographic information on applicants accepted and rejected, and use that to evaluate the effectiveness of your AFHMP?

1. What are the methods for establishing, using and maintaining waiting lists?

1. For units subsidized under any federal Section 8 rent subsidy program, what procedures will be used for coordinating with the government agency responsible for administering the subsidy program?

**TENANT ELIGIBILITY AND INCOME CERTIFICATIONS**

Describe procedures for determining tenant eligibility, initial certification of tenant income, re-certification of tenant income and procedures for relocating over income tenants if the loan program requires over income tenants to vacate subsidized units.

1. What are the methods to be employed for verifying income and other eligibility criteria?

1. What measures will be undertaken to protect the confidentiality of personal data on tenants and applicants?

1. Who is responsible for performing the certification and re-certification of income and eligibility? Describe the training and certification, if any, provided to the staff responsible for income certification.

1. What are the re-certification schedule and procedures that will be implemented to ensure timely performance of re-certifications?

1. What procedures will be followed in relocating tenants who become ineligible to rent the units? For mixed-income projects, this can generally include renting the next available non-restricted unit to an income eligible family; however, the plan should provide for alternatives in the event too many over-income tenants occupy the project.

**RENTS, SECURITY DEPOSITS AND OTHER CHARGES**

Describe the rent structure for the project, security deposit requirements and other deposits and fees that will be charged to tenants.

1. What are the initial rents for each type of unit in the project?

1. What is the amount of security deposit that tenants must pay?

1. Are there any and other charges to tenants (such as, pet deposits, parking fees, utility charges and maintenance charges) and, if so, how much is it?

1. What training and/or experience has relevant staff received on the requirements of Maryland law regarding rents, security deposits, and other charges?

**LEASES**

Attach a copy of the proposed lease.

1. Who is authorized to execute leases on behalf of the management agent?

### MAINTENANCE AND REPAIR PROGRAM

Describe the procedures for ensuring acceptable upkeep of the project. Attach copies of all forms for work orders and inspections.

1. How will the purchase of maintenance equipment, parts and supplies be controlled, who is authorized to make such expenditures and what is the maximum authorized expenditure?

1. What are the procedures for controlling inventory of maintenance equipment, parts and supplies and who is responsible for inventory control?

1. What procedures will be followed for servicing appliances and mechanical equipment and are there any contracts that have been executed for this purpose?

1. What are the procedures for regular inspection of units during occupancy to assess the condition of units and the need for maintenance or repairs, for inspection of units prior to a move-out and for pre-occupancy inspections?

1. What procedures will be employed for preparing vacant units for occupancy?

1. How will tenant billing and collecting for damages be handled?

1. What is the schedule for interior and exterior painting and redecorating?

1. What are the procedures and schedules for upkeep and maintenance of grounds and all common areas?

1. How will emergency repairs be handled?

1. What are the preventative maintenance schedules?

**RENT COLLECTION**

Address the policies and procedures the management agent will follow in the collection of rent and other charges.

1. Where will payments of rent be accepted?

1. What are acceptable forms of payment (for example, checks or money orders)?

1. What accounting controls to protect against loss of rental income will be put into place?

1. What is the method and frequency for preparing accounts receivable reports?

**REPORTING AND ACCOUNTING**

The Department requires a number of regular reports for different types of projects and financing. These reports include monthly operating reports, requests for subsidy payments, annual income and occupancy reports and annual financial statements.

1. What are the schedule and procedures for preparing and submitting periodic reports to the Department?

**GENERAL ADMINISTRATION**

In addition to the specific categories addressed above, the management of each project involves many ongoing administrative functions. Describe the general administrative functions that will be carried out at the project.

1. What general services will be provided at the project (for example, laundry, trash removal, exterminating)?

1. What procedures will be followed to ensure the provisions of the lease and other applicable rules and regulations are enforced?

1. What security measures will be incorporated at the project?

1. What are the staff and office hours of operation?

**TENANT SERVICES**

Describe the processes and procedures for carrying out the tenant service plan described in the application.

1. What are the tenant services that will be provided at the project? Include any services required in the Guide as a threshold requirement, as well as any service awarded points in the funding application.

1. How will the tenant services be financed?

1. What organizations will provide services or products and how will the services from other organizations be coordinated or delivered to the tenants?

1. Which tenant services will be provided on-site? (Indicate what facilities are available at the project site for providing these tenant services.)

1. Which tenant services will be provided off-site? (Indicate what facilities are available within the community for these tenant services and what access the tenants will have to these facilities.)

***EXHIBIT D: OTHER FINANCING***

**LOANS AND GRANTS**

Firm letters of commitment must be provided for all other loans and grants that will be provided. Evidence of other financing also includes subsidies and insurance that will be provided by other institutions (such as, the Federal Home Loan Bank Board or Federal Housing Administration). The evidence of financing must be specific and detailed concerning its terms and conditions and must include the following:

1. Intention to finance the project
2. Amount of financing
3. Specific repayment terms and conditions (for example, interest rate, term of loan, use restrictions, repayment terms)
4. Any conditions for receiving a commitment

**LOCAL CONTRIBUTION**

The viability review submission package should include a copy of the executed agreement to provide the local contribution described in the application. If the agreement is not available, a letter from the local government’s chief executive, council or manager indicating its intention to provide the contribution and a specific description of the contribution is acceptable. The agreement or letter must detail all the terms and conditions for providing the contribution including the following, as applicable:

1. Type of contribution
2. Amount of contribution
3. Term, if the contribution is provided over a period of time (that is, monthly, annually)
4. Terms and conditions (for example, interest rate, maximum term contribution is provided, use restrictions, lien position, repayment provisions)

**EQUITY**

If the project will be syndicated, applicants must provide a firm proposal or updated letter from the firm that will syndicate the project. The proposal must clearly show the following terms:

1. Amount of tax credits expected, if applicable
2. Type of investor
3. Gross equity generated from the syndication
4. Net proceeds to the project
5. Syndication related costs and charges
6. Schedule for the payment of equity
7. Interest and charges associated with any bridge loan
8. Any other terms and conditions

**ATTACHMENTS**

* Updated Letters of Intent or firm Commitment Letters for all Financing
* Updated Letter of Intent or Agreement to Provide Local Contribution
* Updated Syndication Proposal

EXHIBIT E: COST ESTIMATES

A breakdown of the construction or rehabilitation costs shown in the application’s development budget must be provided on CDA Form 212 Summary Cost Estimate and CDA Form 215 Detailed Cost Estimate. CDA Form 215 must be signed by the Sponsor/Borrower and General Contractor for the project.

**ATTACHMENTS**

* CDA Form 212 Summary Cost Estimate (form available through DHCD’s website at <http://dhcd.maryland.gov/HousingDevelopment/Pages/MFLibrary.aspx>)
* CDA Form 215 Detailed Cost Estimate (form available through DHCD’s website at <http://dhcd.maryland.gov/HousingDevelopment/Pages/MFLibrary.aspx>)

EXHIBIT F: PLANS AND SPECIFICATIONS

Documents indicated in this section shall be considered minimum requirements and should be amended as required by the specific project requirements. These requirements follow generally those defined for the Construction Document Phase of the AIA Owner Architect Agreement. The design development submission will generally reflect a project development of 65% of the completed Construction Documents.

**ATTACHMENTS**

* Two Sets of Plans (1 Digital Copy and 1 Hard Copy)
* Minimum Size for All Design Documents is 30”x40”
* Specifications (1 Digital Copy and 1 Hard Copy)
* Written statement of changes in material quality, amenities, or other items which are reviewed in the development quality scoring.

***GUIDELINES FOR PLANS AND SPECIFICATIONS***

DRAWING REQUIREMENTS

1. Civil Engineering Documents. The following documents should reflect near completion and be coordinated with the development of other documents.
   1. Site plan
   2. Grading plan
   3. Sediment and erosion control plan
   4. Storm water management plan
   5. Demolition plan (if applicable)[[1]](#footnote-1)\*
   6. Civil Plans = 1″ = 30′ scale

The following documents shall reflect a completion level of 65% or greater, generally indicating the level of work but not completed or completely coordinated. Some sections and details may be omitted or incomplete. However, these shall be provided in sufficient detail and quantity to generally detail the requirements of the project. Sections and details shall address specific areas, which are more complex, or, due the specific project requirements, require more detail than on a typical project.

a) Landscape plan and schedule including benches, areas of seed and sod, etc.

b) Utility plan(s)

c) Utility profiles and structure schedule

d) Site details sheet, including paving sections, sidewalk, curb sections, disabled accessibility features, dumpster pad sections, retaining walls, mail boxes and tot lots, etc.

e) Public works standard details (reproduce in the construction documents)

f) Drawings = 1″ = 50′ scale

1. Architectural Documents. The following documents shall reflect near completion and shall be coordinated with the development of other documents.
   1. Title Sheet

* Project Information including Project name and address
* The names, addresses and telephone numbers of the Owner and all Consultants
* The date
* The submissions level
* The CDA project number
* List of Drawings
* Project Area Breakdown
* Unit Mix and Square Footages
* Vicinity Map
  1. Code Analysis Sheets
* Designate uses and fire areas on schematic floor plans
* Provide written code analysis

c) Phasing Plans (if required), which apply particularly to Renovation projects especially if to be completed with partial or full building occupancy[[2]](#footnote-2)\*

1. Demolition Foundation Plan (1/8” scale min)\*
2. Foundation Plan (1/8” scale min)
3. Demolition Floor Plans for Each Building Level (1/8” scale min)\*
4. Floor Plans for Each Building Level (1/8″ scale min)
5. Demolition Roof Plan (1/16″ scale min)\*
6. Roof Plan (1/16″ scale min)
7. Demolition Attic Plan (where applicable)\*
8. Attic Plan (where applicable), indicating draft-stopping, firewalls and attic access
9. Demolition Plans of Individual Units (1/4″ scale min)\*
10. Individual Unit Plans (1/4″ scale min)
11. Detailed Demolition Plans of Common Areas (1/4″ scale min)\*
12. Detailed Plans of Common Areas (1/4″ scale min)
13. Demolition Reflected Ceiling Plans for Each Building Level (1/8″ scale min)\*
14. Reflected Ceiling Plans for Each Building Level (1/8″ scale min)
15. Demolition Reflected Ceiling Plans of Individual Unit (1/4″ scale min)\*
16. Individual Unit Reflected Ceiling Plans (1/4″ scale min)
17. Detailed Demolition Reflected Ceiling Plans of Common Areas (1/4″ scale min)\*

The following documents shall reflect a completion level of 65% or greater, generally indicating the level of work but not completed or completely coordinated. Some sections and details may be omitted or incomplete. However, these shall be provided in sufficient detail and quantity to generally detail the requirements of the project. Sections and details shall address specific areas, which are more complex, or, due the specific project requirements require more detail than on a typical project.  
  
 u) Detailed Demolition Reflected Ceiling Plans of Common Areas (1/4″ scale min)\*  
 v) Detailed Reflected Ceiling Plans of Common Areas (1/4″ scale min)  
 w) Exterior Building Elevations (1/8″ scale min)

* Provide elevations of all exterior wall areas
* Provide schematic key plan indicating elevation locations
* Include Demolition information as required. Note some projects will require a complete set of Demolition Exterior Elevations separate from the New Construction Exterior Elevations. \*

Interior Elevations (1/8″ scale min)

* Provide elevations of interior corridor and common space wall areas where necessary to describe the project
* Provide schematic key plan indicating elevation locations
* Include Demolition information as required. Note some projects will require a complete set of Demolition Interior Elevations separate from the New Construction Interior Elevations. \*

1. Kitchen And Bath Elevations and Details (1/4″ scale min)

* Demolition information, elevations and details as required\*

Include the following demolition information as required:

1. Overall building Sections (1/2″ scale min)
2. Typical Wall Sections (1/2″ scale min) in sufficient quantity to describe the varying building conditions
3. Enlarged Construction Plan Details (3/4″ scale min)
4. Specific Building Details Sections (3/4″ scale min)
5. Elevator Plans, Sections and Details (3/4″ min)
6. Stair Tower Plans and Details (3/4″ scale min)
7. Trash Chute and Compactor Details (1/2″ scale min)
8. Wall Type Schedules and Details (1/2″ scale min)
9. Floor and Ceiling Type Schedules and Details (1/2″ scale min)
10. Expansion joint Details (1/2″ scale min)
11. Finish Schedules
12. Door and Frame Schedules and Details
13. Window Schedules and Details
14. Hollow Metal and Aluminum Storefront and curtain Wall Schedules and Details
15. Louver, Panels and Vent Schedules and Details
16. Additional Plans and Details as may be required by the Specific Report

1. **Structural Documents.** The following documents shall reflect near completion and shall be coordinated with the other documents.
   1. Demolition Foundation Plan (1/8″ scale min)[[3]](#footnote-3)\*
   2. Foundation Plan (1/8″ scale min)
   3. Demolition Framing Plan for Each Floor Level (1/8″ scale min)\*
   4. Framing Plan for Each Floor Level (1/8″ scale min)
   5. Demolition Roof Framing Plan (1/8″ scale min)\*
   6. Roof Framing Plan (1/8″ scale min)

The following documents shall reflect a completion level of 65% or greater, generally indicating the level of work but not completed or completely coordinated. Some sections and details may be omitted or incomplete. However, these shall be provided in sufficient detail and quantity to generally detail the requirements of the project. Sections and details shall address specific areas, which are more complex, or, due the specific project requirements require more detail than on a typical project.

* 1. Enlarged Demolition Structural Plans (as required) (1/4″ scale min)\*
  2. Enlarged Structural Plans (as required) (1/4″ scale min)

Include the following demolition information as required:

* 1. Structural Schedules (as required)
  2. Structural Sections (as required)
  3. Typical Details (as required)
  4. Structural Notes

1. **Plumbing Documents.** The following documents shall reflect near completion and shall be coordinated with the other documents.
   1. General Notes and Legends
   2. Plumbing Floor Plan for Each Building Level (1/8″ scale min)

* Include demolition information as required[[4]](#footnote-4)\*
  1. Plumbing Unit Plans (1/4″ scale min)
* Include demolition information as required\*
  1. Enlarged Plumbing Plans (as required) (1/4″ scale min)
* Include demolition information as required\*

The following documents shall reflect a completion level of 65% or greater, generally indicating the level of work but not completed or completely coordinated. Some sections and details may be omitted or incomplete. However, these shall be provided in sufficient detail and quantity to generally detail the requirements of the project. Sections and details shall address specific areas, which are more complex, or, due the specific project requirements require more detail than on a typical project.

* 1. Riser Diagrams
* Domestic
* Waste
* Heating/Cooling system piping
* Condensate systems
* Gas
* Sprinkler including standpipes, valves and tamper switches
* Include demolition information as required\*
  1. Fixture Schedules
* Include demolition information as required\*
  1. Fire Pump Details (if required)
* Include demolition information as required\*
  1. Boiler, Chiller, Hot Water Heating and Other Systems Plans As Required
* Include demolition information as required\*

1. **HVAC Documents.** The following documents shall reflect near completion and shall be coordinated with the other documents.
   1. General Notes and Legends
   2. HVAC Floor Plan for Each Building Level (1/8″ scale min)

* Include demolition information as required\*
  1. HVAC Unit Plans (1/4″ scale min)
* Include demolition information as required\*
  1. Enlarged HVAC Plans (as required) (1/4″ scale min)
* Include demolition information as required\*

The following documents shall reflect a completion level of 65% or greater, generally indicating the level of work but not completed or completely coordinated. Some sections and details may be omitted or incomplete. However, these shall be provided in sufficient detail and quantity to generally detail the requirements of the project. Sections and details shall address specific areas, which are more complex, or, due the specific project requirements require more detail than on a typical project.

* 1. Riser Diagrams
* Central duct systems (corridors, supply and exhaust, etc)
* Flues
* Kitchen and bath exhaust systems
* Control systems
* Include demolition information as required[[5]](#footnote-5)\*
  1. Equipment Schedules
* Include demolition information as required\*
  1. Louver and Vent Schedules
* Include demolition information as required\*
  1. Boiler, chiller and other systems plans as required
* Include demolition information as required\*
  1. Enlarged Mechanical Room Plans and Details (1/4″ scale min)
* Include demolition information as required\*

1. **Electrical Documents.** The following documents shall reflect near completion and shall be coordinated with the other documents.
   1. General Notes and Legends
   2. Power Floor Plan for Each Building Level (1/8″ scale min)

* Include demolition information as required\*
  1. Lighting Floor Plan for Each Building Level (1/8″ scale min)
* Include demolition information as required\*
  1. Power and Lighting Unit Plans (1/4″ scale min)
* Include demolition information as required\*
  1. Enlarged Power and Lighting Plans (as required) (1/4″ scale min)
* Include demolition information as required\*

The following documents shall reflect a completion level of 65% or greater, generally indicating the level of work but not completed or completely coordinated. Some sections and details may be omitted or incomplete. However, these shall be provided in sufficient detail and quantity to generally detail the requirements of the project. Sections and details shall address specific areas, which are more complex, or, due the specific project requirements require more detail than on a typical project.

* 1. Electrical Riser Diagrams
* Power
* Fire Alarm
* Access Control
* Systems Control
* Cable TV and master antenna systems
* Internet Access
* CCTV
* Dialers, intercoms and door entry systems
* Security systems
* Hearing Impaired systems
* Emergency call systems
* Include demolition information as required\*
  1. Schedules
* Lighting
* Panels
* Electrical equipment
* Include demolition information as required\*
  1. Fire alarm and other systems plans as required
* Include demolition information as required\*
  1. Fire Pump and Emergency Generator Details, etc.
  2. Site Lighting Plan and Details

SPECIFICATION REQUIREMENTS

1. **Design Development Documents Specifications**
   1. The Design Development Documents Specification shall include all sections of the 16 Division CSI format applicable to project.
   2. The specification shall be in CSI/Master Spec format.
   3. The Specification cover shall include the following:

* The names, addresses and telephone numbers of the Owner and all Consultants
* The project name and address
* The date
* The submissions level
* The CDA project number
  1. A complete table of contents shall be included at the front of the Specification
  2. Division I should include General Conditions and other project requirements, including those of the lender
* Include a summary of all anticipated Allowances, Alternates and Unit Prices in the appropriate Sections.
* Include Specific Renovation/Demolition related sections as required[[6]](#footnote-6)\*
  1. Divisions II—where Division II is prepared by an separate Owner-retained Consultant, bind these Sections into the single Project Specification
  2. Divisions II through XVI
* Include sections for all known elements. It is recognized that some modifications will still be required as the project moves to completion.
* When products are specified three or more manufacturers shall be listed in addition to “or equal” clause.
* Include Specific Renovation/Demolition related sections as required\*

***EXHIBIT G: FINAL BUILDING EVALUATION REPORT***

***AND PROJECT SCOPE OF WORK***

Applicable to Rehabilitation Projects Only

For projects that involve the rehabilitation of existing buildings, applicants must provide an engineering assessment of the buildings. In rehabilitating properties, developers may encounter unforeseen issues that can delay, increase the cost of, or even halt rehabilitation. To avoid this, the Department requires that a third-party engineer complete an assessment of the property.

The following reports are required for all renovation projects. Documents indicated below shall be considered minimum requirements. Amend as required for specific project conditions and requirements.

**ATTACHMENTS**

* Building Evaluation Report (guidelines attached)
* **Not Applicable.** If the project does not include the rehabilitation of existing buildings, a building evaluation report is not applicable.

***GUIDELINES FOR BUILDING EVALUATION REPORT***

**REVISED PRELIMINARY SCOPE OF WORK**

Provide a further development of the written scope of work provided at the Schematic Design phase, delineating in narrative form the following:

* The existing conditions and systems, including HVAC, electrical, plumbing, structural, building envelope, etc.
* Proposed work to the above elements
* New systems and structures and how they will be integrated into the existing work.
* Other information as may be required to describe adequately the project.
* The narrative shall be broken down in the 16 CSI construction Divisions.

**ENGINEERING STUDIES AND EVALUATIONS**

Update, revise and/or amend the engineering studies provided at the Schematic Design phase as required.

DRAFT SURVEY MANUAL

Incorporation of the results of the survey of 100% of the existing building (provided in the Schematic Phase) into a preliminary Draft Survey Manual, which includes the items listed below. Coordinate the development of the manual with the project scope of work.

The format for the required Draft Survey Manual should relate to the specific project and include elements such as the following:

* Arranged in unit-by-unit format
* Include subsection for all public and common areas
* Include building exterior subsection if applicable
* Provides a tabulation by subsection and section with project totals for each work element

***EXHIBIT H: CAPITAL NEEDS ASSESSMENT***

Applicable to Rehabilitation Projects Only

Multifamily rental projects financed by the Department must provide for an extended period of affordable housing use. To ensure this long-term financial feasibility and viability of rehabilitation projects, the Department establishes replacement reserve standards for individual projects after evaluating the capital needs assessment. Replacement reserves must be sufficient to cover foreseeable capital expenditures. Adequate reserves are particularly important in affordable housing developments where rents are restricted and may not keep pace with operating, maintenance and replacement costs. A guideline for completing the capital needs assessment follows.

**ATTACHMENTS**

* Capital Needs Assessment (if applicable) (guidelines attached)
* **Not Applicable.** If the project does not include the rehabilitation of existing buildings, a capital needs assessment is not applicable.

GUIDELINES FOR CAPITAL NEEDS ASSESSMENT

The capital needs assessment must cover at a minimum the timeframe including the date of viability submission and 20 years from the proposed date of project completion. It must include, at a minimum, the elements listed below (refer to the attached illustration for further clarification of each element). The illustration is intended only as a tool for understanding the basic minimal format. Values, elements and amortization periods indicated are for illustration purposes only and are not intended for actual use. This is a simplified schedule and represents only the minimal format acceptable. A more extensive schedule in a similar format is encouraged. This could take into account systems that have recently been only partially replaced and, therefore, will have different amortization periods for each part. Likewise, a new system to be installed in the future may have longer amortization periods than retained existing systems due to a higher quality intended to be used when the system is replaced.

1. **Proposed New Construction/Renovation Element.** Indicate in a 16-division CSI formatthe anticipated elements that comprise the scope of the proposed renovation or new construction project. (Only a portion of several divisions has been included in the illustration with a dotted line indicating each area where a cut has occurred.)
2. **Unit Cost.** Indicate thecurrent unit price of the scope item. Refer to Total Units below.
3. **Total Units.** Indicate the total number of units. The units can be the number of apartments in the project, the total square footage of a specific element, total cubic yards, total quantity of elements such as mechanical units, linear feet of various elements, etc.
4. **Total New Construction/Renovation Cost.** This cost should be the total of the Unit Cost multiplied by the Total Units. It represents the total cost of replacement for the scope element in today’s dollars. This can represent the total cost of a renovation element or new construction elements.
5. **Amortization Period (years).** The life expectancy of the specific element before replacement will typically be anticipated.
6. **Year “X” Cost.** The amount to be put away each year so that the total replacement value will be available at the time the system or element is anticipated to fail. The Total New Construction/Renovation Cost divided by the Amortization Period. (Only a sampling of the years has been included in the illustration with a dotted line indicating each area where a cut has occurred.)
7. **Total.** This is the sum of all years. The total cost per year required to be put away so that the total replacement value of all systems and elements will be available at the time each system or element is anticipated to fail.

CAPITAL NEEDS ASSESSMENT ILLUSTRATION[[7]](#footnote-7)\*

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Proposed New Construction/ Renovation | Unit Cost | Total Units | Total New Construction/ Renovation Cost | Amortization Period (years) | Year 1 Cost (2001) | Year 2 Cost (2002) |  | Year 20 Cost (2020) | Remarks |
|  |  |  |  |  |  |  |  |  |  |
| Division I—General Conditions |  |  | $88,401 |  |  |  |  |  |  |
| 1. General Requirements    1. Allow only 4% | $270 | 291 | $78,570 | 25 | $3,143 | $3,143 |  | $3,143 |  |
| 1. Permits    1. Allow Only .25% | $17 | 291 | $4,947 | 25 | $198 | $198 |  | $198 |  |
| Division II—Site Work |  |  | $128,630 |  |  |  |  |  |  |
| 1. Roads and Parking Areas    1. Repairs to existing bituminous paving including new striping | $3,000 | 34 | $102,000 | 15 | $6,800 | $6,800 |  | $6,800 |  |
| * 1. Scheduled seal coating of bituminous paving including new striping | $35 | 291 | $10,185 | 4 | $2,546 | $2,546 |  | $2,546 |  |
|  |  |  |  |  |  |  |  |  |  |
| Division XV—Mechanical |  |  | $493,245 |  |  |  |  |  |  |
| 1. HVAC System    1. Remove and replace existing gas fired furnaces and electric air conditioning with all new high efficiency units | $800 | 291 | $232,800 | 12 | $19,400 | $19,400 |  | $19,400 | Management indicates 146 compressors recently replaced in 1997. However, only 27 furnaces have been recently replaced. The Remainder of the Furnaces should be replaced immediately. |
| * 1. Clean all ductwork | $50 | 291 | $14,550 | 12 | $1,213 | $1,213 |  | $1,213 |  |
| 1. Water Heating    1. Provide all new gas fired water heaters | $375 | 291 | $109,125 | 10 | $10,913 | $10,913 |  | $10,913 |  |
|  |  |  |  |  |  |  |  |  |  |
| Total |  |  |  |  | $256,000 | $256,000 |  | $256,000 |  |

EXHIBIT I: SURVEY

CDA requires the completion of a survey by a registered surveyor for all projects. The survey must include the required information and be accompanied by the appropriate certificates.

The Survey must comply with the 2021 Minimum Standard Detail Requirements for ALTA/ACSM Land Title Surveys and must include items 1-4, 6-9, 10, 11-14, and 16-19 of Table A. A full size copy of the survey must be provided to CDA and its counsel for review and approval prior to execution.

Upon completion of a project that involves adding buildings or other improvements, roads and/or sidewalks, an as-built survey which complies with the above requirements must be provided. CDA at its discretion may require an as-built survey for other types of projects.

The survey also needs to include the following items:

* Lot lines and set-back lines
* Location of all existing easements, rights of way, improvements on or encroachments upon, over, to or from the property
* Location of all items that will be listed in Schedule B, Part II of the lender’s title policy.

**ATTACHMENTS**

* Draft Survey
* Form of Certificate (attached)

**FORM OF SURVEYOR’S CERTIFICATE**

**ALTA/NSPS Effective 2/23/2021**

**(form updated 3/9/2021)**

To [the Department of Housing and Community Development of the State of Maryland][the Community Development Administration, a unit of the Division of Development Finance of the Department of Housing and Community Development of the State of Maryland][Borrower][title company][other lenders]:

This is to certify that this map or plat and the survey on which it is based were made in accordance with the 2021 Minimum Standard Detail Requirements of ALTA/NSPS Land Title Surveys, jointly established and adopted by ALTA and NSPS, and includes items 1-4, 6-9, 10, 11-14 and 16-19 of Table A thereof. The field work was completed on \_\_\_\_\_\_\_\_\_\_\_.

Date of Plat or Map:\_\_\_\_\_\_\_\_\_

[Surveyor’s signature, printed name and seal with Registration/License Number]

EXHIBIT J: ENVIRONMENTAL ASSESSMENT

# PHASE I ENVIRONMENTAL ASSESSMENT

Each project must comply with applicable requirements of local, state and federal environmental laws and regulations.

In addition, Projects which include federal financing trigger the requirements of the National Environmental Policy Act (NEPA) and must comply with all the requirements associated with NEPA. Developments will be screened by having a Phase I Environmental Assessment completed in the standard format that meets the requirements for “All Appropriate Inquiry” established by ASTM Standard E1527-21 and 40 CFR 312. The Phase I Environmental Assessment must be downloaded on CD and submitted with this package. The assessment must be completed by a qualified Environmental Professional (as defined in 40 CFR 312) and include the following reviews:

1. Examination of the method of water supply and sewage disposal for indication of problematic situations;
2. Review of available documentation which describes existing and previous building uses and building materials;
3. Interviews with previous owners of the building and owners or occupants of other properties in the area to determine any prior use of the building or neighboring land use to determine the probability of contaminants;
4. Evaluation of the site for other pertinent environmental issues, including a review of foundation conditions, man-made hazards, storm water runoff, underground storage tanks, and potential for lead-based paint, radon gas, mold, PCBs and asbestos; and
5. Particular physical conditions (e.g., the presence of wetlands or other specially-protected areas) or future site use requirements or conditions (e.g., deed restrictions imposing engineering or institutional controls, whether or not in connection with prior site remediation work).

For Projects which must comply with NEPA, the Environmental Professional must also complete the HUD Sample Field Notes Checklist (included as part of HUD Form 4128) a copy of which may be downloaded at [www.hud.gov](http://www.hud.gov).

# PHASE II ENVIRONMENTAL ASSESSMENT

A Phase II Environmental Assessment will be necessary whenever the Phase I report indicates “Recognized Environmental Conditions” (as defined in ASTM Standard E1527-21) or other potential environmental concerns on or reasonably likely to affect the site in question. All renovation projects require that a Phase II assessment be completed unless it can be demonstrated that there is a specific reason why one should

not be provided. If the applicant requests that the Phase II assessment be omitted, a written statement from the Environmental Professional should be provided indicating the reasons for a waiver. If a Phase II Assessment is needed, a more detailed physical investigation and review of historical records will be required. The assessments must meet the basic requirements described in ASTM Standard E1903-11. Typical specialized studies under Phase II reviews include the following:

1. Asbestos and lead paint samplings and testing;
2. Site and record reviews of any underground storage tanks and associated supply lines
3. Soil sampling and analysis;
4. Ground water or aquifer sampling;
5. Testing for PCB contamination;
6. In depth investigation of neighboring sites;
7. Radon testing; and
8. Mold.

**ATTACHMENTS**

* Phase I Environmental Assessment
* Phase II Environmental Assessment (if applicable)
* Environmental Professional Reviewer’s Statement of Qualifications
* Environmental Professional Reviewer’s Engagement/Reliance Letter
* Sample Field Notes Checklist, included as part of Form HUD-4128, available for download at [www.hud.gov](http://www.hud.gov).

***EXHIBIT K: GEOTECHNICAL STUDY***

A written report based on traditional soil studies for the area should be provided that indicates how these may affect the proposed site. The report should give specific recommendations as to foundation type that is anticipated. Where there is reason to suspect potential for any unusual or costly soil conditions, appropriate additional investigations may be needed, including borings and test pits. As a result of these investigations, a written analysis with recommendations is to be prepared. A registered professional soils engineer must perform all work.

**ATTACHMENTS**

* Geotechnical Study

***EXHIBIT L: DRAFT STANDARD FORM OF AGREEMENT BETWEEN OWNER AND CONTRACTOR***

A draft of the Owner/Contractor Agreement must be provided. The Department requires the Standard Form of Agreement Between Owner and Contractor/Cost Plus with negotiated guaranteed maximum price, the AIA Document A102-2017 to be used.

Only under certain circumstances and with **prior approval** of the Department will the Standard Form of Agreement Between Owner and Contractor Lump Sum, where the basis of payment is a stipulated sum, the AIA Document A101-2017 may be used. If a Lump Sum Contract is used three separate complete bids from qualified contractors are required.

**ATTACHMENTS**

* Standard Form of Agreement Between Owner and Contractor where the basis of payment if the Cost of the Work Plus a Fee with a Guaranteed Maximum Price (AIA Document A102-2017)
* Standard Form of Agreement Between Owner and Contractor where the basis of payment is a Stipulated Sum (AIA Document A101-2017). Must receive prior approval of the Department.

***EXHIBIT M: STANDARD FORM OF AGREEMENT BETWEEN OWNER AND ARCHITECT***

An executed copy of the Owner / Architect Agreement must be provided. The form of agreement must be either AIA Document B101-2017; AIA Document B109-2010, or AIA Document B108-2009. Other AIA contract documents may be used on an as needed basis. In addition, the Department also requires its Attachment to the Owner/Supervising Construction Professional Agreement be submitted.

AIA DOCUMENT B101-2017 STANDARD FORM OF AGREEMENT BETWEEN OWNER AND ARCHITECT

The B101-2007 sets forth the Architect’s services during five phases; schematic design, design development, construction documents, bidding /negotiation, and construction contract administration. The B101includes both basic and additional services and sets forth basic services in Article 3. Additional services, listed in Article 4, are any services that are not deemed basic.

**AIA DOCUMENT B109-2010 STANDARD FORM OF AGREEMENT BETWEEN OWNER AND ARCHITECT FOR A MULTI-FAMILY RESIDENTIAL OR MIXED USE RESIDENTIAL PROJECT**

The B109-2010 contains terms and conditions that are unique to Multi-Family Residential and Mixed Use Residential Projects. The B109 uses the traditional division of services into Basic and Additional Services, and adds a new Pre-Design Services article that includes items such as assessment of project feasibility, layout, and regulatory requirements.

**AIA B108-2009 STANDARD FORM OF AGREEMENT BETWEEN OWNER AND ARCHITECT FOR FEDERALLY FUNDED OR FEDERALLY INSURED PROJECT**

The B108-2009 contains many of the same provisions as the B101-2017. The B108-2009 was developed with the assistance of several federal agencies and contains terms and conditions that are unique to federally funded or federally insured projects.

**ATTACHMENTS**

* AIA Document B101-2017 – Standard Form of Agreement between Owner and Architect
* AIA Document B109-2010 – Standard Form of Agreement between Owner and Architect for a Multi-Family Residential or Mixed Use Residential Project.
* AIA B108-2009 Standard Form of Agreement between Owner and Architect for Federally Funded or Federally Insured Project.
* Attachment to the Owner/Supervising Construction Professional Agreement (form provided on DHCD website).

***EXHIBIT N: CIVIL ENGINEER’S CONTRACT***

An executed copy of an agreement outlining the civil engineer’s role is required for projects that involve new construction or when warranted by the scope of the rehabilitation of an existing building(s). The form of agreement submitted must clearly show the scope of services and fee structure. Site accessibility services that meet state and federal guidelines should be included in the scope of work.

**ATTACHMENTS**

* Contract or Form of Agreement
* **Not Applicable.** If the work of the civil engineer is covered under the agreement between the owner and the architect, or the scope of rehabilitation of existing buildings does not warrant a civil engineer, an agreement between the owner and engineer is not applicable.

1. \* Generally applies only to renovation projects. [↑](#footnote-ref-1)
2. \* Generally applies only to renovation projects. [↑](#footnote-ref-2)
3. \* Generally applies only to renovation projects. [↑](#footnote-ref-3)
4. \* Generally applies only to renovation projects. [↑](#footnote-ref-4)
5. \* Generally applies only to renovation projects. [↑](#footnote-ref-5)
6. \* Generally applies only to renovation projects. [↑](#footnote-ref-6)
7. \* The illustration is intended only as a tool for understanding the basic minimal format. Values, elements and amortization periods indicated are for illustration purposes only and are not intended for actual use. [↑](#footnote-ref-7)