

**FAIRFAX COUNTY REDEVELOPMENT AND HOUSING AUTHORITY  
FAIRFAX COUNTY DEPARTMENT OF HOUSING AND COMMUNITY  
DEVELOPMENT**

**Issue Date: December 1, 2022**

**Request for Qualifications for Affordable Housing Preservation**

**I. Introduction**

The Fairfax County Redevelopment and Housing Authority (FCRHA) and Fairfax County Department of Housing and Community Development (HCD) are seeking qualified housing providers and development firms for potential collaborations to further the County’s affordable housing preservation goal of no net loss of affordable units. Housing providers are asked to respond to this Request for Qualifications (RFQ) to receive notifications of potential preservation opportunities; to allow quicker processing of acquisition or other gap financing applications; and to otherwise assist the FCRHA/HCD with execution of preservation opportunities.

**II. Background**

In April, 2021, Fairfax County Board of Supervisors approved the [recommendations](#) developed by the [Affordable Housing Preservation Task Force \(Task Force\)](#) whose purpose was to develop a comprehensive affordable rental housing preservation strategy. The strategy recommitted to the principle of no net loss of market affordable housing units in the County and is in line with the One Fairfax Racial and Social Equity Policy (One Fairfax Policy) in that it supports a high quality of life, employment opportunities, housing, amenities, and services for all people and throughout the County.

The Preservation Strategy focuses on multi-family (four or more units) rental housing and defines “Affordable Units” as units with rental rates affordable to households with income at or below 60% of the Area Median Income (AMI). Affordable housing falls into one of the following categories:

- **Market affordable housing** – Affordable units *without* enforceable rent or income restrictions.
- **Committed affordable housing** – Affordable units with rents and/or incomes levels restricted by agreement, program, or land restrictions including, but not limited to, deed restrictions, zoning requirements, financing program compliance requirements, and land use restriction agreements.

Market affordable properties in the County are at risk of losing affordability due to rising market rents and redevelopment pressure. As the County expands its development of new affordable units, it is critical to simultaneously maintain the existing stock of affordable housing units and minimize displacement of residents relying on affordable rents. Properties with affordable units are increasingly vulnerable to rent increases and redevelopment.

Preservation opportunities arise sporadically and move quickly, particularly in Fairfax County’s strong housing market. To act promptly on opportunities to preserve affordable properties as they

arise, FCRHA/HCD seek to pre-qualify a pool of housing providers for potential preservation projects ("Housing Providers").

Housing Providers will be notified of high priority preservation opportunities. Notifications will include information on the preservation opportunity, available FCRHA funding (if applicable), guidance on how to submit expressions of interest, and other information, as appropriate. While funding applications for each project will need to be reviewed individually, Housing Providers identified through this RFQ process will have completed their Applicant Experience and Qualifications, the first step in the Notice of Funding Availability (NOFA) process. Pre-approval of the qualifications of Housing Providers is expected to reduce the time required to review and approve project proposals. This process serves the benefit of reducing the time that it takes to put together preservation deals with Housing Providers.

This RFQ is expected to be issued annually. Housing Providers selected under this RFQ will be asked to review their submitted information and update their firm qualifications to remain on the list.

**Pre-qualification under this RFQ does not guarantee that the County will enter a preservation deal with a Housing Provider or approve financing for potential projects.**

### **III. Preservation Requirements**

Applicants should review the minimum preservation requirements outlined below to understand the threshold requirements of potential preservation opportunities:

- Affordability: A Land Use Restriction Agreement (LURA) will be recorded on the property to ensure:
  - The affordability of the units being preserved should be equal to or more affordable than current levels.
  - Target affordability is 60% AMI or below ("income averaging" may be permitted in projects using Low Income Housing Tax Credit equity as part of permanent financing)
  - Affordability requirements must remain in place for a minimum period of 30 years after acquisition.
- Condition of Property:
  - The Preservation Coordinator and Housing Provider will work together to determine immediate renovations that may be necessary to provide good quality housing for tenants.
  - Property will be required to be well-maintained through regular maintenance and repairs, as well as capital improvements, as necessary.
- Tenant phasing: Housing Provider will strive to minimize displacement of existing residents and must provide a detailed tenant phasing plan explaining how the income levels of current tenants will be confirmed and how the property will transition to be in compliance with the affordability requirements.
- Gap Financing: FCRHA funding may be available to provide gap financing for preservation projects.
  - Applicants will be expected to maximize leveraging of FCRHA funds with other funding sources.

- The target ratio for leveraging other resources to FCRHA funds is 4:1 or higher.
- For each project, staff will evaluate the relative funding per unit based on population served and reasonableness of projections to maximize the efficiency of any FCRHA funding awarded.
- The debt service coverage ratio will need to ensure sufficient cash flow is available to pay off the FCRHA loan during operations.
- An appraisal will be required and the loan to value ratio will be calculated to confirm that the FCRHA's loan will be fully paid off in the event of a foreclosure.

Additional program guidelines are provided in the Preservation Project Form Term Sheet (Attachment A).

#### **IV. Qualifications**

HCD invites organizations with experience acquiring, owning, and operating affordable multifamily properties to submit their qualifications. Organizations may partner with other firms to supplement their experience and show capacity in all requested areas.

Responses to this RFQ must include the following items, organized as listed below:

- 1. Cover Letter:** 1-2 page narrative describing:
  - a. Experience and capacity for acquiring, re-capitalizing, operating, and maintaining multi-family residential
  - b. Commitment to the mission of affordable housing preservation
- 2. Ownership and Operation:**
  - a. Organizational chart showing staff roles
  - b. Resumes of Key Personnel with experience in affordable housing development, real estate finance, asset management, and related areas of expertise
  - c. Organizational Documents (e.g., Articles of Incorporation/Organization, etc., Bylaws, tax exemption letter)
  - d. List of potential purchase and/or operational partners
- 3. Firm Experience:**
  - a. Provide 3-5 examples of projects/deals that show the firm's experience with property acquisition, leveraging affordable housing financing tools, operating and maintaining residential properties and working with low- and moderate-income households.
  - b. Partnerships or joint ventures among experienced developers and community-based organizations are acceptable to demonstrate the required experience.
  - c. If possible, provide project examples completed within Fairfax County or within the DC-Maryland-Virginia metropolitan area.
  - d. For all project examples, include location, status of those projects, total number of units, number of affordable units, the affordability levels (AMI) being served, on-site amenities, and support services provided, if any. Include also a brief narrative of the firm's involvement in the project and what sources of financing/subsidy were leveraged.
  - e. For partnerships, include a narrative of how the partners have worked together on previous projects.

4. **Financial Disclosures:** Provide three most recent annual audited annual financial statements or, alternatively, financial statements for the lead organization and any other information the applicant wishes to use to demonstrate its capacity to undertake a potential preservation project.
5. **Affirmation Concerning Debarment:** Provide a notarized affidavit affirming that the organization is not debarred from doing business with any local, state or federal agency. Note that Virginia Housing (the Virginia Housing Development Authority) is a state agency for the purpose of this affirmation. Note: Any debarment shall be deemed disqualifying for the purpose of this RFQ.

## V. Submission Requirements

Submissions may be e-mailed to [Brianne.fuller@fairfaxcounty.gov](mailto:Brianne.fuller@fairfaxcounty.gov), or hand delivered to:

Fairfax County Department of Housing and Community Development  
c/o Brianne Fuller  
3700 Pender Drive, Suite 300  
Fairfax, VA 22030

All Statements of Qualifications must be received no later than 3:30 p.m. EST on January 18, 2023. Submissions received after this time or incomplete submissions will not be considered.

## VI. Selection Process

HCD staff will review and evaluate all submissions based on the criteria listed below:

1. **Organizational Experience:** The organization has ample experience and capacity acquiring, re-capitalizing, operating, and maintaining multi-family residential properties. The organization has demonstrated a strong commitment to the mission of affordable housing preservation.
2. **Staff experience:** Staff experience and organizational structure support the Organizational Experience and show the respondent's capacity for and ability to execute affordable housing preservation projects.
3. **Financial Capacity:** The organization is currently in good financial standing with ample capacity to undertake preservation projects. Housing Providers must show the financial capacity to fund early pre-development/due diligence activities for potential projects.

FCRHA/HCD may cancel this Request for Qualifications or reject submissions at any time prior to selection when in their best interest and are not required to furnish a statement of the reasons why a particular submission was not deemed to be selected.

## **VII. Selection Timeline**

The following dates are subject to amendment. HCD may request additional documentation or information to supplement submissions during the review process.

- Issue date: December 1, 2022
- Pre-Submission Meeting: December 8, 2022
- Qualifications Due: January 18, 2023, at 3:30 pm
- Estimated Selection Notification: Winter 2023

## **VIII. Pre-Submission Meeting**

*Date: December 8, 2022*

*Time: 3:00 pm – 4:00 pm*

*Location: Fairfax County Economic Development Authority  
8300 Boone Boulevard, #450  
Vienna, VA 22182*

*To RSVP contact: [brianne.fuller@fairfaxcounty.gov](mailto:brianne.fuller@fairfaxcounty.gov)*

## **IX. RFQ Questions**

Questions related to this request for qualifications should be directed to Brianne Fuller, Associate Director, Preservation, Affordable Housing Development Division at 703-324-1861 or by email at [brianne.fuller@fairfaxcounty.gov](mailto:brianne.fuller@fairfaxcounty.gov).