

Government of the District of Columbia
Office of the Chief Financial Officer



Jeff DeWitt
Chief Financial Officer

**Submission Requirements for a
Financial Analysis of Affordable Housing Requirements Waiver**

The Office of the Chief Financial Officer has been charged with analyzing proposed waivers from statutory affordable housing requirements, if the Mayor proposes such a waiver as part of a District property disposition.

The Disposition of District Land for Affordable Housing Amendment Act of 2014 (the “Act) establishes affordable housing minimums if the proposed use of a disposition of public land includes a multifamily residential development. The Mayor may transfer the land at less than market value in order “to ensure that the affordable housing requirements” of the Act are met. Alternatively, the Mayor may reduce the minimums if the development also includes a “significant public facility.” Finally, the Mayor may waive, in part or in whole, the affordable housing requirements.

In the case of a waiver, the Office of the Chief Financial Officer (OCFO) must provide the Mayor with an advisory opinion on whether or not the waiver is reasonably necessary for the project to be financially feasible.

Within the OCFO, the Office of Economic Development Finance (EDF) will be responsible for coordinating and completing review and analysis of all necessary information. All questions and submissions should be made to:

Office of Economic Development Finance
(Attention: Affordable Housing Requirements Waiver)
Office of the Chief Financial Officer - District of Columbia
1101 4th Street SW, Suite W772
Washington DC 20024
Phone: 202-727-9635
Email: Waiver.Info@dc.gov

The Mayor is required to include this analysis when introducing legislation to dispose of public land. Analysis will only begin once the Mayor has requested the analysis and submitted a complete information package to the OCFO as detailed above. *However, prior to submission, interested parties are encouraged to contact the Office of Economic Development Finance with any questions about submission requirements or the subsequent review and analysis that will be performed.*

Review and Analysis Process

When official notification is received from the Mayor as well as all supporting materials described below (as well as any additional information requests from the OCFO), the OCFO will commence its analysis to determine if the waiver is reasonably necessary for the project to be financially feasible.

The OCFO review and analysis is likely to take a minimum of three weeks, but may take longer, depending on the complexity of the proposal and whether data is readily available or extensive research is required. A draft of the analysis will be provided to the Mayor’s office for comments prior to finalization.

Any questions related to the timing of the OCFO analysis on a specific project should be made to the contact information listed above.

Information Requirements

The official request for OCFO analysis shall include the information listed below. It must be provided to the OCFO, in both hard copy and digital copy. Any confidential information requested not to be available for release to the public must be marked. When this information is submitted, the OCFO will perform a cursory review to ensure that the information package is complete. The OCFO will notify both the party providing the official notification and the requestor, if different, if the package is incomplete. Once information is deemed complete, the OCFO will commence its review.

All waiver requests shall be accompanied by the following information:

1. A detailed description of the development project, including current and expected uses, sources and uses of funds, relevant gross and net square footages, a project timeline including details on any phasing that may apply, and the number and type of housing units.
2. Address, square and lot, and/or boundary information for the property.
3. Any appraisals available on the relevant property.
4. Two versions of the project's financial pro forma detailing debt, equity, land costs at the negotiated amounts, detailed project cost estimates, absorption rates, all associated cash flows, and the resulting internal rate of return (IRR) to equity. The pro formas shall be submitted electronically in Excel, and the spreadsheets shall allow the OCFO to examine and manipulate the underlying formulas and assumptions.
 - a. The first version shall reflect the project's pro forma as if the affordable housing requirements are NOT waived. This version shall include sufficient detail to identify which affordability requirements established in the Act apply to this project, and how the rental/sales prices meet those requirements.
 - b. The second version shall reflect the project's pro forma as if the affordable housing requirements are waived. No other assumptions shall be different between the first and second versions.
5. Market data supporting the assumptions used in the pro formas.
6. A description of the commitment status for all debt and equity sources.
7. Other requests for alternate funding including grants and tax credits.
8. A description of any time constraints that affect the project.
9. Proposed business types or major tenants for retail and commercial projects.
10. Information regarding any prior District bond proceeds that were expended on the property.
11. The name and contact information for the person most familiar with the information submitted.
12. Any other information deemed relevant by the applicant.

Please direct any questions to the OCFO contact information provided above.