A comprehensive strategy for creating and maintaining inclusive communities in Denver involves the preservation of our existing affordable housing inventory, as well as new construction opportunities. When local, state and federal funding is invested toward affordable housing, a restrictive covenant or other similar tool is placed on the home or the land to ensure it is available at an affordable price for a certain period of time. When the covenant expires, the owner of the rental or for-sale home is no longer required to rent or sell to an income-qualified household, and the property may be at risk of conversion to market rate housing. The preservation of affordable housing is accomplished through an extension to the existing covenant or similar tool, or placement of a new covenant or similar tool onto the property, typically through the provision of funding for acquisition or for rehabilitation. Since DEDO invests in affordable housing and does not own and operate a portfolio of affordable properties, DEDO is seeking partners interested in contracting with the City to preserve existing income-restricted affordable housing properties as identified.

In addition, DEDO is aware that properties exist in the City and County of Denver that may be affordable to low- and moderate-income residents, but are not currently protected via an income-restricting covenant. In addition to seeking partners to preserve the City’s income-restricted housing stock, DEDO is seeking partners to preserve housing that is affordable currently, but does not carry an income-restriction.

Qualified applicants are asked to submit an overview of qualifications for ongoing partnership with DEDO in acquiring, operating and preserving existing affordable housing as opportunities are identified. The list of preservation partners will be refreshed annually, and DEDO’s Request for Qualifications will remain open through May 2020 to accommodate changes in Denver’s affordable housing needs.
are guided by the policy priorities identified in the City of Denver’s Comprehensive Housing Plan, *Housing an Inclusive Denver*. In accordance with the Plan, “Denver will focus on preserving existing affordable housing, both homeownership and rental, in vulnerable neighborhoods and areas of higher opportunity...[by] investing to maintain affordability in non-subsidized housing and preserving or continuing affordability of existing publicly subsidized affordable housing.” The preservation of affordable housing is a core goal of the City of Denver.

There are currently more than 20,000 income-restricted housing units within the City and County of Denver. Units are income-restricted through public investments from DEDO and its public partners at the U.S. Department of Housing and Urban Development, Colorado Housing and Finance Authority, Colorado Division of Housing and Denver Housing Authority. Over the next five years, more than 1,826 units have expiring income-restrictions through a contract or covenant with one of these agencies. When the covenant expires, the owner of the rental or for-sale home is no longer required to rent or sell to an income-qualified household, and the property may be at risk of converting to market rate housing.

The City of Denver maintains a variety of regulatory and financing tools that support the preservation of affordable housing, as detailed below:

- **Denver’s Preservation Ordinance**: The City’s Preservation Ordinance assists DEDO in preserving existing income-restricted rental housing by a) requiring the owners of income-restricted properties to notify DEDO if they intend to sell their property and b) providing the City or its designee with a right of first refusal (ROFR) when income-restricted properties are sold. To exercise its ROFR, the City anticipates partnering with a member of its list of preservation partners selected via this RFQ. DEDO finalized and adopted rules and regulations outlining the process by which the City will implement the Preservation Ordinance in January 2019. In addition, the Preservation Ordinance contains a rule requiring a minimum 60-year income restriction if DEDO’s funds are invested toward an affordable housing property. This covenant length will prolong the expiration of income-restricted rental housing units. More information on the City’s Preservation Ordinance can be found [here](#).

- **Dedicated Affordable Housing Fund**: DEDO maintains a dedicated local funding source for affordable housing and invests funds frequently to provide gap financing in support of the creation or preservation of affordable housing properties. Each investment is accompanied by a minimum 60-year income restriction. DEDO’s maintains funding limitations that guide its level of investment toward individual affordable housing properties that are detailed within its term sheets.

- **Income-Restricted Property Tracking**: DEDO maintains an inventory of all currently income-restricted properties in the City of Denver. Our database contains information on the expiration date of each income restriction, the type of restriction, and details on the property and who it houses.

- **Outreach to Property Owners**: DEDO conducts annual outreach to the owners of income-restricted property to communicate the requirements of Denver’s Preservation Ordinance and the resources DEDO maintains to support preservation. DEDO anticipates conducting outreach in early summer of 2019.

In addition to the City’s 20,000-unit stock of income-restricted housing, the DEDO is seeking partners to support the acquisition of “naturally occurring affordable housing” (NOAH), or housing that does not currently have a restrictive covenant or similar tool in place, but remains affordable to low- and moderate-income households. Given the current Denver real estate market, much of the City’s stock of naturally occurring affordable housing is at risk of rising in value to levels above that which will be affordable to low- and moderate-income households in the long-term. DEDO is seeking partners able to acquire NOAH properties in exchange for an income-restriction, which will ensure the affordability of these properties in the long-term. Investment in NOAH is a new objective for the City, and DEDO recognizes that the acquisition
and rehabilitation of NOAH properties may take a number of forms, including rental and homeownership models.

Since DEDO functions as an investment arm into affordable housing and does not own and operate a portfolio of affordable properties, DEDO is seeking partners interested in contracting with the City to preserve existing income-restricted and NOAH affordable housing properties as identified.

A.3 SCHEDULE OF EVENTS

2019 RFQ IS AVAILABLE Monday, June 3, 2019

At https://app.wizehive.com/apps/2019HsgPreservationPartnerRFQ

COMPLETED RFQ SUBMISSION DEADLINE FRIDAY, May 29, 2020 (4 P.M. MDT)

**DEDO staff will review applications approximately every 60 days**

A.4 APPLICATION, GUIDELINES, AND CHECKLIST

DEDO continues to use the grant management system WizeHive for its RFQ application processes. The online application allows all applicants to use one document to gather general data and information, while requesting specific information related to each separate Part. The application contains helpful background and clarifying information in yellow highlighted text boxes, while yellow highlighted question marks indicate that additional information is available. All uploads must be in .pdf format.

Qualified applicants are encouraged to submit an application. Two documents have been created to assist you in the application process. This document, the RFQ Guidelines, provides background and instructions about the RFQ. An RFQ Checklist itemizes the documents to be downloaded and uploaded as attachments to the online application. It is very important to have both documents accessible when completing the application.

A.5 APPLICATION QUESTIONS

Technical questions regarding use of the Online RFQ application must be submitted in writing by email to DEDOHousingProposals@denvergov.org.

SECTION B: REQUEST FOR QUALIFICATIONS OBJECTIVES

The objective of this RFQ is to assemble a pool of potential development partners able to assist the City in acquiring, operating and preserving existing income restricted and naturally occurring affordable housing as opportunities are identified. The list of preservation partners will be renewed annually through the issuance of a new Request for Qualifications.

DEDO recognizes that this RFQ seeks partners to preserve a range of types of properties, and that the City’s strategy to preserve properties may vary depending on the property at hand. Preservation properties may include rental or for-sale properties carrying an existing income-restriction, or rental or for-sale properties that are not protected by an income-restriction. The response to preserve each property will differ depending on the context and property type. Below are examples of how the City might engage its preservation partners in order to extend affordability for different types of properties:
• **Income-Restricted Rental Properties:** Under the Preservation Ordinance, the owners of income-restricted properties are required to provide notice to the City prior to a planned sale. Income-restricted properties include properties with a recorded covenant, land use restriction agreement, or regulatory agreement that restricts the rent level of five or more units within the property. When the City receives notice, DEDO anticipates issuing an RFQ to designated rental preservation partners, in order to select a potential designee to partner with in enacting the City’s Right of First Refusal. DEDO may also reach out to its preservation partners to assess the feasibility of the preservation of specific income-restricted rental properties. In addition, the City may engage with preservation partners prior to a planned sale as part of its annual outreach, in order to connect current owners of income-restricted properties with a pool of potential buyers able to retain affordability on the site.

• **Income-Restricted For-Sale Properties:** Currently, 1,429 for-sale housing units are income-restricted within the City of Denver. Property owners may resell affordable units to an income qualified buyer, or to a designated non-profit or government entity for the purpose of reselling to a qualified buyer, or renting to a qualified tenant. Each property is subject to a maximum resale price requirement, and DEDO receives approximately 3 requests per month for resale price verification. DEDO anticipates providing the names and contact information of its for-sale preservation partners to owners of income-restricted for-sale properties, to provide an option for selling that can support an extension of a property’s affordability period. While there are some variations in covenant terms across the City’s portfolio of income-restricted for-sale properties, some covenants include a right of first offer for the City or a partner after the expiration of the covenant. DEDO anticipates partnering with its for-sale preservation partners to preserve the affordability of its for-sale housing stock long-term.

• **Naturally Occurring Affordable Housing:** In addition to housing currently carrying income restrictions, DEDO seeks to preserve housing that may remain affordable to low- and moderate-income Denver residents, but is not protected via an income restriction. To preserve NOAH properties, OED would provide an investment toward the preservation of the property and record an income-restricting covenant in exchange. OED’s funding may come in the form of low-cost, subordinate debt to support the acquisition and/or renovation of the property. OED occasionally learns of NOAH properties that are marketing. Upon receiving information on the subject property, OED would engage its pool of preservation partners via an RFQ to select a potential designee to purchase the property on the City’s behalf.

Funding from DEDO may be available for acquisition and rehabilitation of existing income-restricted housing through low interest, subordinate debt. Specific structure and terms of the financial commitment shall be negotiated and underwritten as appropriate given the preservation opportunity.

**SECTION C: EVALUATIONS**

**C.1 EVALUATION TEAM**

All applications will be reviewed by an Evaluation Team comprised of DEDO staff and other evaluators. All data and information from the Applicant must be submitted through the online RFQ submission and documents uploaded before submission. No additional information, documents or inquiries pertaining to the application, including email and phone calls, will be considered during the selection process.

**C.2 EVALUATION CRITERIA**
Applications should be comprehensive, accurate, and concise presentations of the requested information. To facilitate the review of applications by DEDO, all applications must follow the schedule, format, and content requirements as detailed herein in order to be considered responsive to this RFQ.

**Requirements of all Applications**

A. A statement indicating your organization’s experience and success in developing, owning and/or managing income-restricted affordable rental housing, or overseeing the sale of income-restricted for-sale housing. Provide the following information within your response:
   a. Years of experience developing, owning, and/or managing income-restricted housing.
   b. Units of housing developed, owned, and/or managed. If your organization specializes in income-restricted for-sale housing, please indicate the number of units developed and/or sold.

B. Provide a statement indicating your organization’s experience acquiring and renovating existing single- or multi-family housing. Address the following topics in your response:
   a. Types of housing acquired and renovated (multifamily apartments, attached single-family housing, detached single-family housing)
   b. Transaction types (LIHTC, non-LIHTC, grant-funded renovation)
   c. Financing used to complete renovation
   d. Timeframe in which a) acquisitions and b) renovations have been completed
   e. Number of units renovated by your organization

C. Provide a statement indicating your organization’s ability to access capital quickly to preserve existing units. Detail the source of any bridge financing (line of credit, cash on hand, external bridge financing fund, etc).

D. If your organization focuses on rental housing, provide a statement indicating your familiarity with Denver’s Preservation Ordinance. If your organization focuses on for-sale housing, provide a statement indicating your organization’s experience with for-sale housing income-restricted via City of Denver covenants.

E. Provide a list of properties owned by your organization within the City of Denver. If those properties are income-restricted, indicate what type of restriction is in place.

F. Provide 3 years of audited financial statements.

G. Indicate the type of properties your organization specializes in:
   a. Income-restricted Multifamily Rental Properties
   b. Income-Restricted For-Sale Properties
   c. Naturally Occurring Affordable Housing Rental Properties (i.e., properties that are not currently income-restricted but are affordable to a household earning at or below 100% of area median income)
   d. Naturally Occurring Affordable Housing For-Sale Properties (i.e., properties that are not currently income-restricted but are affordable to a household earning at or below 100% of area median income)

H. Provide an organizational chart and resumes for members of your staff that will be involved in the preservation of affordable housing.

Qualification reviews and awards are contingent upon Responders being current to the City on any loan, contractual, or tax obligation as due, or with any rule, regulation, or provision on existing or past City contracts.

**C.3 EVALUATION PROCESS**

Qualifications will be scored and ranked utilizing the WizeHive Evaluation Tool based upon the information contained in the application itself and uploaded attachments.
Performance outcomes of prior contracts with DEDO will be considered in the overall rating of qualifications submitted by Applicants who currently have, or have previously had, contracts with DEDO.

C.4 DECISIONS

Based upon the information provided by the Applicants, the Evaluation Team will evaluate qualifications. The evaluations will be ranked according to scores in WizeHive and forwarded to DEDO Senior Management.

DEDO reserves the right to postpone or cancel this RFQ, if it deems it to be in the best interests of DEDO to do so. DEDO reserves the right to waive any technical or formal errors or omissions, and to reject any and all applications, or to award contracts, either in part or in whole, if deemed to be in the best interests of DEDO.

Successful Applicants shall be in complete compliance with each of the specifications, terms and conditions of the RFQ. DEDO shall not be liable for any costs incurred in the preparation of applications or for any work performed in connection therein.

SECTION D. ADDITIONAL CONTRACT REQUIREMENTS

D.1 IRS FORM W-9


D.2 CERTIFICATE OF GOOD STANDING FROM SECRETARY OF STATE

All Applicants must be registered with the Colorado Secretary of State and have an active Certificate of Good Standing attached to their application. See [http://www.sos.state.co.us/pubs/business/businessHome.html](http://www.sos.state.co.us/pubs/business/businessHome.html) for more information.

D.3 SYSTEM FOR AWARD MANAGEMENT DATABASE AND DATA UNIVERSAL NUMBERING SYSTEM (DUNS) NUMBER

All entities who contract with the City and County of Denver must be registered in the System for Award Management Database. See [https://www.sam.gov/portal/](https://www.sam.gov/portal/), and obtain a Central Contractor Registration (CCR) expiration date. This requires a Data Universal Numbering System (DUNS) Number. Dun & Bradstreet issues unique nine digit DUNS Numbers without charge for all businesses required to register with the US Federal government for contracts or grants with the City and County of Denver. Please see [http://www.dnb.com/get-a-duns-number.html](http://www.dnb.com/get-a-duns-number.html) for more information. All entities must have an active CCR at the time of contract execution.

D.4 DIVERSITY AND INCLUSIVENESS IN CITY SOLICITATIONS INFORMATION REQUEST FORM

All Applicants are required to complete the Diversity and Inclusiveness in City Solicitations Information Request Form. The information provided on this form will provide an opportunity for City contractors/consultants to describe their own diversity and inclusiveness practices. Contractors/consultants are not expected to conduct intrusive examinations of its employees, managers, or business partners in order to describe diversity and inclusiveness measures. Rather, the City simply seeks a description of the contractor/consultant’s current practices, if any. Diversity and Inclusiveness information provided by City contractors/consultants in response to City solicitations for services or goods will be collated, analyzed, and made available in reports consistent with City Executive Order No. 101. However, no personally identifiable information provided by or obtained from contractors/consultants will be in such reports. A link will be provided in the application for Applicants to complete an e-form.