

**2405 MAYOR'S RIGHT TO ASSIGN THE OPPORTUNITY TO PURCHASE**

2405.1 The Mayor may exercise the opportunity to purchase a Housing Accommodation under Title IV-A of the Act by assigning the rights to an assignee that:

- (a) Must be selected from the Agency's Pre-Approved Developer list. In order to become a Pre-Approved Developer, any interested developer must apply to a request for qualifications-published in the *D.C. Register*.
- (b) Demonstrates the capacity to own and manage, either by itself or through a management agent, the Housing Accommodation and related facilities for the remaining useful life of the Housing Accommodation, including consideration of the following factors:
  - (1) A demonstrated capacity and expertise in acquiring, renovating, maintaining and owning affordable multi-family rental housing including buildings containing five or more units, or renovating and selling affordable homeownership housing, in the District of Columbia, which may be evidenced by:
    - (A) A comprehensive list of prior affordable housing development and market-rate housing development in the District of Columbia including project addresses, number of units, description of project financing;
    - (B) The qualifications and capacity of proposed personnel and contractors to carry out the development, operation, and maintenance of a Housing Accommodation;
    - (C) A list of lenders and equity sources used in prior projects;
    - (D) A description of affordability covenants applicable to prior projects;
    - (E) An affirmative statement that Developer has never been in financial default as either a borrower or a guarantor; or, if to the contrary, explaining in complete detail all circumstances pertaining thereto;
    - (F) A description of Developer's typical marketing plan;
    - (G) A description of Developer's typical asset management plan;

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- (H) A description of Developer's typical property management plan; and
  - (I) Other criteria the Mayor determines appropriate to further the purposes of Title IV-A of the Act.
- (2) A certification that, for the previous ten (10)-year period, the person or each principal in the entity has substantially complied with all applicable federal and local laws in the maintenance and operation of each multifamily building in which they have an ownership or management interest;
  - (3) An affirmative commitment to affordable housing in all future proposals submitted in response to a request for qualifications under Subsection 2405.1(a) of this chapter; and
  - (4) A contract affidavit signed by all development team members certifying that they are neither debarred from participation in any federal program nor have any unresolved default or noncompliance issues with the District of Columbia.
- (c) Agrees to obligate itself and any successors in interest to maintain the affordability of the Housing Accommodation, in accordance with Section 433 of the Act (D.C. Official Code § 42-3404.33); and
  - (d) Is registered and licensed to do business in the District of Columbia.

2405.2 If the Mayor assigns the rights to purchase a Housing Accommodation under Title IV-A of the Act:

- (a) The Mayor shall notify in writing the Mayor's Assignee, Owner, and Tenants of the Housing Accommodation of who has been designated to purchase the Housing Accommodation;
- (b) The Mayor and the Mayor's Assignee shall both receive all communications regarding the Housing Accommodation under Title IV-A of the Act;
- (c) The Mayor's Assignee shall have the Mayor's right to purchase under Title IV-A of the Act ; and
- (d) Subject to the written approval of the Mayor, the Mayor's assignment of the rights to purchase a Housing Accommodation under Title IV-A of the

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Act may permit the further assignment of such rights to an entity controlled by the Mayor's Assignee.

SOURCE: Final Rulemaking published at 65 DCR 12627 (November 16, 2018).