General Listening Session Supplement
September 16, 2020

This document is intended to provide sufficient information to:

- *Help listening session attendees develop comments or questions in advance of the session*
- *Help those unable to attend provide written input through the 2021 QAP Written Input Survey (click here)*

The below document is intended to highlight key areas where public input is needed but does not encompass all substantive changes that will be highlighted alongside the 2021 QAP draft in October.

UPDATES FROM PRIOR LISTENING SESSIONS

The following changes are updates pertaining to topics that were addressed in a prior listening session. For more context, click here to view the supplements for the following previous listening sessions supplements:

- Structural Changes
- Supportive Housing and Enriched Property Services

STRUCTURAL CHANGES LISTENING SESSION UPDATES

4% TAX CREDITS COMPETITIVE PROCESS

Application timeframes
DCA anticipates including language in *Core, Section 12. 4% Federal Credit – Bond Financed Projects* stating that application deadlines and review timeframes will only be announced as tax-exempt bond funding becomes available, similar to Notices of Funding Availability (NOFAs).

Although the Housing Finance and Development Division does not expect to have bond financing for new 4% tax credit applications in 2021, we may begin underwriting applications in Q4. The primary goal of incorporating the 4% application review into the 2021 QAP is to ensure we have a process in place for when bonds become available.

Limitations per developer
Proposal to require that developers submit no more than 2 applications.

Scoring Criteria

All applications	*Readiness to Proceed* - DCA anticipates this being the most heavily weighted scoring section. *Favorable Financing* *Deeper Targeting* *Extended Affordability Commitment* *Compliance Performance*

New Construction Applications	• (up to 6 points) *Desirables and Undesirables* • (up to 4 points) *Community Transportation Options* • (up to 3 points) *Place-based Opportunity* • (up to 5 points) *Stable Communities* OR *Revitalization Plans*
Rehabilitation Applications	Click here to view the rehabilitation scoring criteria proposed in the Structural Changes Listening Session supplement.

2-YEAR SCORING FREEZE

The following two scoring sections, described below, are intended to addressing concerns expressed during the structural listening session:

- *Acquisition Cost Containment*
- *Previous Projects: Prior round award*

SUPPORTIVE HOUSING AND ENRICHED PROPERTY SERVICES

PROCESS FOR COMPETITIVE RANKING

During this listening session, DCA proposed converting *Integrated Supportive Housing* and *Enriched Property Services* into a review process that ranks applications, allows for qualitative application review, and awards a small number of applicants. Participants questioned whether a qualitative review process could be sufficiently transparent and consistent between DCA staff.

The proposed competitive review process is detailed below. The goal is to develop a competitive ranking process that allows for some amount of subjectivity, while constraining the reviewers by a transparent process.

- Applications are ranked *within* each of the criteria outlined for the Scoring section (to view proposed criteria, click here to access the Enriched Services and Supportive Housing Session supplement).
    - Applications are given scores of 5, 4, 3, 2, or 1 points towards their competitive ranking score depending on if they are ranked 1st, 2nd, 3rd, 4th, or 5th within each criterion.
    - Applications not in the top 5 of a particular criterion sub-ranking would be assigned a "0" score for that criterion.
- If an individual criterion is deemed more important than another, it would be assigned a higher weight.
- DCA staff will not seek to find differentiation between applications where differentiation is not clear. Ties between applications are acceptable, either within criteria or between applications in the overall ranking.

The below table illustrates an example competitive ranking. In the below example, the competitive process is based on two criteria: (a) physical accessibility of services and (b) impact of services on property's financial health.

Application	Application Score for Competitive Ranking	Rank (Points) …for criterion: "Services will not strain property's financial health."	Rank (Points) …for criterion: "Services will be physically accessible to residents."

A	5 + 1 = **6**	1 (5)	5 (1) *…tie for 5th place*
B	3 + 0 = **3**	3 (3)	Not in top 5 (0)
C	2 + 1 = **3**	4 (2)	5 (1) *…tie for 5th place*
D	4 + 5 = **9**	2 (4)	1 (5)
E	1 + 4 = **5**	5 (1)	2 (4)
F	0 + 3 = **3**	Not in top 5 (0)	3 (3)
G	0 + 2 = **2**	Not in top 5 (0)	4 (2)

In the above example, the five highest-scoring applications in the competitive ranking are D, A, E, and then B, C, and F are tied for 4th place. Given this tie, DCA awards 6 applications rather than 5 applications.

- Applications D, A, E, B, C, and F <u>receive 3 points</u> under Enriched Property Services.
- Application G <u>receives 0 points</u> under Enriched Property Services.

LIMITS ON APPLICATIONS RECEIVING POINTS

DCA received input expressing the following concerns regarding the number of applications that would be able to receive points under each of the below sections:

- <u>Enriched Property Services</u>: proposal for 5 is too low, given history of developers engaged in service provision.

- <u>Supportive Housing</u>: 15 is too high. At this number, it could be the determining factor for all awards within a pool.

DCA is investigating more deeply prior applications submitted to determine whether refining these cutoffs is warranted, but we cannot offer further comment at this time.

CHANGES NOT DISCUSSED IN PRIOR SESSIONS

9% SCORING

ALL APPLICATIONS

Acquisition cost containment	(1 point) Application site was not submitted during the previous year's Competitive Round …or… Application site was submitted during the previous year's Competitive Round, and the purchase price is not higher than the price reflected in site control documentation in the previous application.

NEW CONSTRUCTION APPLICATIONS ONLY

Section	**Change**

Broadband Access	Atlanta Metro pool: • (2 points) Applicant commits to provide each unit with free individual high-speed internet access. Other Metro pool: • (1 point) Application is within a broadband "served" area as defined by DCA's online broadband access map (click here) OR applicant submits documentation from local government that broadband infrastructure will be available for the proposed development. Rural pool: proposing to not make this point available in rural pool. • Intent: DCA intends to investigate rural access further before allowing this point option in the Rural pool.
Community Transformation	DCA seeks input: Applicants who have applied for these points and plan to do so in the future should convey to DCA whether they would prefer this section continued to be reviewed under its current language, or if it should be reviewed in accordance with what was discussed at the CHDO Listening Session (click here to view the CHDO Listening Session supplement).
Community Transportation Options	Remove 1-point option for family properties. • Intent: recognition that transportation access is important for senior properties and to make points balance between family and senior applications more even.
Desirable/Undesirable Activities	Desirable Activities: • Additional point options vary based on applicable radius: 1.5 mile (.5 point), 1 mile (1 point) , ½ mile (1.5 points), ¼ mile (2 pts) • Increase maximum points from 10 to 16. • Point opportunities doubled for the following Desirable activities: big box stores, grocery stores, medical care, child care, school, community center, public park. Undesirable Activities: • Sites within a USDA food desert will not receive Undesirables point penalty if receives points for a qualifying grocery store under Desirable Activities.
Exceptional Nonprofits	Delete this section. Functionally replaced by three "competitive ranking" Scoring sections that analyze mission orientation of owner's past experience: • Enriched Property Services • Community Transformation • Supportive Housing
Favorable Financing	Subsection A. *Qualifying Sources*: • Eligible sources must come from "federal, state, or local government entities or an unrelated nonprofit entity." • Proposing to convert from "Amount per unit" rather than "Percent of TDC" • Convert this to 5 tiered point options rather than 3.

	Subsection B. *Long-term Ground Lease*: • Allow unrelated nonprofit entities to be eligible lessor. • Require that applicants cannot claim points under this subsection if the lessor is a co-developer.
Place-Based Opportunity	Split this section into two separate sections, *Quality Education Areas* and *Workforce Housing Needs and Jobs Strength*.
Previous Projects	Subsection A. 15 Years Lookback Period: • Only incorporated Local Government Boundaries are eligible for points under this subsection. • Local Government Boundaries do not qualify for the 4-point option if the most recent 9% award occurred within the prior six 9% Competitive Rounds. (1 point) Pool-specific buffer did not receive an award in the most recent prior 9% Competitive Round.
Quality Education Areas	Make this section available to all applications, regardless of points claimed in other sections. • Note: to address possible clustering resulting from this change, DCA is considering additional points boost to Previous Projects.
Revitalization/Redevelopment Plans	Primary criteria for plans: • Plans adopted within the last 10 years eligible (currently 5 years). Additional criteria for plans: • "Implementation measures" becomes primary criteria, reducing maximum points under this section from 7 to 6.
Workforce Housing Needs and Jobs Strength	Make this section available to all applications, regardless of points claimed in other sections. • Note: to address possible clustering resulting from this change, DCA is considering additional points boost to Previous Projects. Atlanta Metro Pool only: proposal to remove this section. • DCA has received consistent feedback that given recent jobs growth in Atlanta Metro, OnTheMap data is out of date.