



## 2021 Qualified Allocation Plan Development: Proposed Changes to Second Draft

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Posted October 28, 2020

*This document is to be used solely for purposes of supporting discussion during the October 29 public hearing covering the 2021 QAP second draft posted on October 21.*

Per the request of public input received, DCA will not post a full third draft of the QAP until after receiving further comments. Instead, to add to public dialogue during the remainder of the public comment period, this document contains the following:

1. A set of excerpted QAP pages highlighting changes DCA anticipates making to the currently posted second draft given input received since its publication.
2. A set of maps showing the geographic variation in census tract scores under each of the health and socioeconomic indicators in *Stable Communities*.
  - a. Please note that DCA is strongly considering converting scores under this section to be only based on “above 60<sup>th</sup> percentile,” as was the case for the 2020 QAP when using Opportunity 360. However, for purposes of public discussion the excerpts below retain the 60<sup>th</sup>/70<sup>th</sup>/80<sup>th</sup> percentile ranges from the second draft.
  - b. Please also note that DCA has posted a data table of the underlying scores for each of these indicators to the DCA website ([click here](#)). This is a draft data table and applicants should only use an updated version posted after QAP approval to self-score.
3. The following proposals are not reflected in the QAP excerpts, as they are removals, not additions:
  - a. Removed Atlanta Metro point determinations table in Desirable Activities. Scoring options for both Metro Pools are now the same.
  - b. Removed Opportunity Zones scoring section.

4% Applications. See Core, 4% Federal Credit – Bond Financed Projects for applicable procedures.

- 2. Application Submission Package:** A complete Application package must include all required documentation and all applicable Application fees.

Applicants must submit complete Applications according to the directions and format prescribed in the 2021 Core Application Instructions and the 2021 Application Manuals. No additional documentation will be accepted after the Application Submission deadline described in this Section unless specifically requested by DCA as part of the clarification review.

Applicants for 9% Credits will be required to self-score their Applications and fully explain their rationale in support of the scoring decision for each criterion. Applicants' self-scores must be done in strict accordance with the provisions of the Plan and the Application Manuals.

### **C. Maximum Number of Applications**

DCA will assign sequential project numbers to all Applications in the order they are received and prior to any form of Application review.

For the 9% Competitive Round, no more than four (4) Applications may be submitted. For the 4% Competitive Round, the below application limitations apply. DCA reserves the right to adjust this Application limitation should the amount of new tax-exempt bond allocation available under the 2021 QAP exceed projections.

- One application per qualified Developer. A Developer may submit one additional Application if submitting under a joint venture with either of the following:
  - A Developer eligible to qualify under Probationary Participation who currently owns and operates at least one Successful Tax Credit Project as defined in Experience, Capacity, and Performance Requirements for General Partner and Developer Entities.
  - Public Housing Authority
- Joint ventures between two fully Qualified Developers may submit two applications.

The above limitations apply to Ownership interests of all proposed Project Participants except for Syndicators. Ownership interests of all Project Participants in the proposed Applications will be reviewed. If it is determined that a Project Participant has proposed Ownership interests in excess of the above limitations, DCA will only evaluate the first submissions up to applicable limitation. Any other Applications which include the same Project Participant will be considered ineligible and will not be evaluated.

### **D. Award Limitations**

- 1. Project Limitations:** DCA will not award more than \$1,000,000 of Credits to any Metro pool Application or more than \$900,000 of Credits to any Rural pool Application in the competitive round.
- 2. Maximum Ownership/Development Interests:** Applicants will be limited to direct or indirect Ownership/Development interest in a maximum of two (2) selected projects in which the combined total Federal Credit from the 2021 competitive funding round cannot exceed one million eight hundred thousand dollars (\$1,800,000) and/or total HOME funding cannot exceed twenty-five percent (25%) of the total HOME Loan resources available. This limitation applies to direct or indirect Ownership/Development interests of all proposed Project Participants, except Syndicators and Management Companies. Once an applicant has been awarded projects that meet the above limits, all of that Applicant's lower scoring projects will be deemed ineligible. For non-profit applicants, DCA will look at Executive Directors and common threads of effective control as well as whether different non-profit entities have met DCA

#### **D. Broadband Access**

Applicants must provide free high-speed Wi-Fi internet access in the required community room or building. Access must be provided through the entirety of the Compliance Period and Extended Use Period.

For purposes of this subsection, high speed means the capability to transmit at a rate of not less than 25 megabits per second in the downstream direction and at least 3 megabits per second in the upstream direction to end users.

#### **Reference Documentation:**

- DCA Architectural Manual, Appendix I: Architectural Standards

### **XX. EXPERIENCE, CAPACITY AND PERFORMANCE REQUIREMENTS FOR GENERAL PARTNER AND DEVELOPER ENTITIES**

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#### **Overview**

DCA must comply with statutory requirements to take into consideration the qualifications of the Project Team for a proposed project or to own and operate a tax credit property. A proposed Project Team in a submitted Application or in any request related to a transfer of an interest must have experience, capacity and successful performance in the Tax Credit Program to own and/or develop a tax credit project. Further, all properties must have Project Teams that are substantially compliant with DCA rules, Section 42 Program requirements and regulations and HOME Partnership program requirements and regulations. Overall, DCA reviews the following four areas of the proposed Project Team:

- Experience
- Capacity
- Performance
- Compliance History

Project Teams may be reviewed for qualifications at Pre-Application or Application Submission. To receive a full Threshold review at Pre-Application under this section, Applicant must have the project team and construction type finalized by Pre-Application. If either is "To Be Determined," DCA will not conduct a team qualifications review during the Pre-Application review phase.

#### **A. Certifying Entities**

##### **1. Identifying the Certifying Entity**

The Project Team must have a Certifying Entity for both the General Partner and the Developer entities of the proposed project. A Certifying Entity must meet the DCA experience requirements and be determined to have the capacity to complete the proposed project. Certifying Entities must show that they have the ability to exercise effective control of decisions on behalf of each entity.

Effective control can be demonstrated by an entity or Principal that:

- a) has a majority interest in the General Partner and/or Developer or
- b) is a managing member of a limited partnership or single purpose entity, or limited liability company.
- c) Other methods approved by DCA that clearly show effective control

and employee units will not be included in the total residential units.)

**4% Credit Applications are only eligible to claim points under subsection B.**

**A. Deeper Targeting Through Rent Restrictions**

**2 Points**

**Two (2) points** will be awarded to Applications with an overall property area median income, calculated based on the imputed income and rent limitations (20%, 30%, 40%, 50%, 60%, 70%, 80%) for each affordable unit, equal to or less than 58%. Applicants may do so by utilizing either

- income averaging, or
- the 40% at 60% minimum set-asides and targeting units at lower levels.

*(PBRA and public housing units can be used to claim points in this category).*

**B. Deeper Targeting Through New PBRA Contracts**

**3 Points**

**Three (3) points** will be awarded to Applications that have an award of new government-funded project based rental assistance (PBRA). Applicants shall be eligible for points in this category provided all of the following requirements are met:

- PBRA is for at least 30% of total residential units. (Common spaces and employee units will not be included); and
- PBRA contract has a minimum term of ten (10) years.

New PBRA contracts do not include public housing units, bifurcation, or renewal of existing contracts. Properties with existing PBRA contracts are not eligible for these points.

**Minimum Documentation:**

Commitment for PBRA executed by authorized regulatory agency.

**V. DESIRABLE/UNDESIRABLE ACTIVITIES**

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***Up to 20 Points***

**A. Desirable Activities**

Points will be awarded for each desirable activity/characteristic category as set forth below. Applicants will be limited to receiving a maximum of **twenty (20) points** under this section.

**1. Requirements**

- a) Driving or walking routes must originate from geo-coordinates of the pedestrian or vehicle site entrance and end at the geo-coordinates of the desirable amenity.
- b) Each building/entity/location will be assigned to only one (1) desirable category, with the exception of an amenity under (a), (c), (g), or (l) below, which may be assigned to up to two (2) desirable categories. (Example: a public park may have a gymnasium and/or a swimming pool, or a supermarket may have a pharmacy).
- c) Desirable characteristics that are under construction may be eligible for points if the construction site is clearly active and the new structures are above ground at the time of Applicant Submission.
- d) For Scattered Site Projects, desirable amenities must be measured from the center point of each Scattered Site locations.

**Metro Pools** point determinations:

<b>Distance</b> (miles)	0.5	1	1.5
<b>Points</b> (Group 1)	2.5	2	1.5
<b>Points</b> (Group 2)	2	1.5	1

## **B. Undesirable/Inefficient Site Activities/Characteristics**

In determining whether an undesirable activity/characteristic is near a proposed site, the Applicant must consider any undesirable activity/characteristic that is located within the radius of 0.25 miles of the proposed site. **Two (2) points** will be **deducted** from the Applicant's Desirable points for each Undesirable activity/characteristic.

For scattered-site projects, the Applicant must evaluate the 0.25-mile radius from each non-contiguous parcel separately.

### **1. Undesirable/Inefficient Site Activities/Characteristics may include but are not limited to the following:**

- a) Inappropriate surrounding property uses (examples include but are not limited to junkyards, dumps, landfills, materials storage areas, commercial livestock operations, uses that generate odor, and uses that generate excessive glare from lighting).
- b) Potential or existing environmental hazards such as chemical or heavy manufacturing activities, industrial development, facilities listed in Federal or State hazardous inventory databases, gas stations with a history of leaking underground storage tanks, auto repair stations, and dry cleaners with a history of contaminant releases.
- c) Abandoned houses or buildings that are unoccupied and unsecured and/or detract from an area's physical appearance, diminish living conditions and/or safety of the neighborhood, and/or decrease the marketability of the proposed sites ("abandoned" will be determined by the following factors: unsecured entrances (windows and doors) and lack of maintenance). Additionally, deteriorated housing or buildings where extensive defects are evident from the exterior of the building and which depress an area's physical appearance, diminish living conditions and/or safety of the neighborhood, and decrease the marketability of the proposed site.
- d) Extensive mitigation that can translate to a less efficient use of resources. Examples include extensive noise mitigation costs, steep grade changes that require extensive grading and/or retaining walls, extensive floodplain or wetland areas that render the existing soils unsuitable for required bearing capacity, and inefficient use of land/excessive site acreage in relation to the number of units constructed.
- e) Property falls within a food desert, defined as a low-income census tract where a significant number or share of residents is more than 2 miles (USDA urban) or 20 miles (USDA rural) from the nearest supermarket. This point deduction will not be applied to properties qualifying for supermarket or grocery store point determinations under subsection A. *Desirable Activities*.

DCA will review the undesirable activity or establishment's proximity to the property and the impact of the activity on the proposed project and its residents in determining a point deduction.

### **2. Exceptions to Undesirable Deductions:**

If the Applicant has knowledge at the time of Application that an undesirable activity/characteristic is temporary and that a change or mitigation will remove the undesirable

activity as set forth below, no points will be deducted.

DCA will consider mitigation to be performed by a third party that will remove the undesirable condition if it is scheduled to occur prior to September 1, 2021. Applicants will need to supplement their Application by providing evidence to DCA that the condition has been mitigated by September 1, 2021 (Applicants will not be notified prior to the deadline that this documentation should be submitted).

If the mitigation will be completed by the Applicant or a Local Government, the condition must be mitigated by the placed in-service date for the project. Applicants must provide clear documentation that they have the site control and resources to complete the mitigation. A Local Government must provide definitive documentation that the specific undesirable mitigation will occur prior to the placed in service date.

**Minimum Documentation:**

- Desirable/Undesirable Certification Form
- Google Maps driving or walking route for each claimed desirable starting from the walking and/or driving entrance of the desirable amenity
- Evidence of mitigation of undesirable activity/characteristic from the third party responsible for the mitigation by the date noted above, if applicable.
- If (h): Documentation of State license.
- Site map indicating the specific location of the nearest grocery store (including distance from site) and copy of USDA Food Access Research Atlas showing “LI and LA at 1 and 20 miles” layer with site location clearly marked. USDA Food Access Research Atlas is available at: <http://www.ers.usda.gov/data-products/food-access-research-atlas/go-to-the-atlas.aspx>

## **VI. COMMUNITY TRANSPORTATION OPTIONS**

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### ***Up to 6 Points***

Applicants may claim points in A or B.

Community Transportation Options must meet the following criteria:

- Transportation service must be publicized to the general public via website or published brochure.
- Transportation service must be available to all residents of the proposed development/site.
- For subsection A, transportation route must have a local route. Multi-stop express routes providing regional transit are only eligible under subsection B.
- Routes that only run direct will not qualify.
- On-call transportation services are not eligible for points in **the Atlanta Metro Pool**.

DCA will measure required distances from the geo-coordinates of a pedestrian site entrance to the proposed transit stop. DCA will not identify and/or measure any route other than the route submitted in the Application to determine whether points should be awarded to the Applicant.

For Scattered Site Properties, each non-contiguous parcel must meet the above criteria.

No Project Participants or affiliates may fund transportation options for purposes of claiming points in this scoring section.

### **A. Transit-Oriented Development**

**6 Points**

provide a reliable and available transportation option to all residents of the development. If the rural transportation option is a fixed-route service, the stop must be within a 0.5-mile walking distance of the site. If the transportation option is on-call, the service must be available on-site.

**Minimum Documentation:**

- Map showing the location of the transit stop in relation to the proposed development site and clearly indicating the site entrance or pedestrian site entrance to be used in calculating distance.
- Google Map walking routes must originate from geo-coordinates of the pedestrian site entrance or the nearest physical address and end at the transit stop.
- Photograph of the transit stop accompanied by description of the stop’s location (if applicable).
- PDF of the transit service webpage documenting the following criteria. If the website does not include all criteria, a letter from the transit agency is required including all criteria listed below, as well as the transit service’s phone number and email address.
  - Webpage URL
  - Cost of service
  - Relevant transit route(s)
  - Route schedule
- Rural Applicants claiming a point for on-call transportation services must include a PDF of the transit service webpage documenting the following criteria. If the website does not include all criteria, a letter from the transit agency is required including all criteria listed below, as well as the transit service’s phone number and email address.
  - Webpage URL
  - Cost of service

**VII. ENRICHED PROPERTY SERVICES**

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**3 points**

Applicant agrees to provide services supporting resident outcomes related to education, health, transportation access, or economic security at the proposed development for a minimum of five years following the property placing in service. Services must be provided at least monthly and be offered for \$15 or less.

Each Applicant will be limited to claiming points under this section for one Application in which a Project Team member has a direct or indirect interest. Failure by the Applicant to designate these points to only one qualified Application will result in no points being awarded to any Project Team member’s Application.

To be eligible for points under this subsection, one of the following must apply:

- An entity in the General Partnership has received a certification from Certified Organization for Resident Engagement & Services (CORES).
- Applicant agrees to contract with a CORES-certified organization to provide services. The Applicant must provide a letter of intent from a CORES-certified organization describing interest and capacity to provide services at the proposed development.

**Reference Documentation**

- [CORES website](#)

**Minimum Documentation:**

- Proof of CORES certification.
- Signed letter of intent from service provider, if claiming points for contracting with an entity outside of the General Partnership.
- Entities not CORES certified by Application Submission Deadline must provide:
  - Proof that CORES Pre-Screen Application has been approved.
  - Proof that CORES application was submitted prior to Application Submission Deadline.
  - Proof of CORES certification emailed to [hfdround@dca.ga.gov](mailto:hfdround@dca.ga.gov) by August 15 following Application Submission Deadline.

## VIII. QUALITY EDUCATION AREAS

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### ***Up to 3 Points***

Points will be awarded to Applications with sites located in the attendance zone of high-performing schools as defined below. For a school to qualify:

- A school cannot have district-wide enrollment unless the school is the only school in the district.
- A school must serve grades between Kindergarten and 12<sup>th</sup> grade.
- Schools for which student admission is conducted on a selective basis (e.g., lottery, competitive application) are not eligible.

Each school qualifying for points must meet requirements for (a) or (b) below.

a) College and Career Readiness Performance Index (CCRPI) scores are above average. DCA will post a document on its website displaying the average CCRPI scores schools need to exceed to receive points in this subsection.

- Schools that have three years of published CCRPI scores must use a 3-year average.
- Schools that only have two years of published CCRPI scores may use a 2-year average.
- Schools that only have one year of published CCRPI scores may use 1-year data.
- Schools serving grades that span multiple Grade Clusters as defined by Georgia Department of Education (Elementary, Middle, and High School) must have a CCRPI score greater than the lowest score of the multiple clusters.

b) School receives 2019 or 2020 “Beating the Odds” designation

Many Georgia schools have fewer grades than a full Grade Cluster (e.g., a Middle School with only grades 7 and 8). Points will be awarded based on the number of grades within schools that meet the requirements of (a) or (b) and property tenancy.

<b>Tenancy</b>	<b>All tenancies</b>			<b>Family</b>
<b>Grades in schools meeting (a) or (b)</b>	<b>3</b>	<b>8</b>	<b>All K-12</b>	<b>All K-12</b>
<b>Points</b>	<b>1</b>	<b>1.5</b>	<b>2</b>	<b>3</b>

If two or more qualifying schools overlap in grades, an individual grade will only be counted once.

### **Minimum Documentation:**



**Minimum Documentation:**

- Each page of FFIEC census report demonstrating the proposed site meets requirements. Data must be from the most current FFIEC census report as of January 1, 2021.
- If applicable, map clearly showing distance from site entrance to border of census tract meeting requirements.

**B. Health and Socioeconomic Conditions in Stable Communities**

**6 Points**

**Up to 6 points** will be awarded based on the percentile rank of the site census tract along certain health and economic statistics determined by the Census Bureau’s American Community Survey. The following metrics will be used:

- Health indicators:
  - Percentage of population with health insurance
  - Life Expectancy
- Economic indicators:
  - Median household income

Points will be awarded in accordance with the table below.

**Census Tract Percentile and Scores**

<i>Percentile Range</i>	60 – 69	70 – 79	80 or higher
<i>Points per statistic within range</i>	1	1.5	2
<i>Percentage of population with health insurance</i>	89.7 - 91.1	91.1 - 93.0	93.0 or higher
<i>Life expectancy</i>	77.5 - 78.5	78.5 - 79.64	79.64 or higher
<i>Median household income</i>	56,691 - 64,773	64,773 - 75,298	75,298 or higher

Applicants within a census tract for which there is no estimate may utilize the score of the census tract closest to the site.

DCA will publish the data to be utilized for this section on the DCA website. If the Census Bureau conducts a data update between November 1, 2020 and the Application Submission Deadline, the Application will receive points based on the higher statistics set. Applicants cannot claim points based on statistics from both before and after a data update.

**Reference Documentation:**

- [American Community Survey](#) (Census Bureau)
- DCA Local Socioeconomic Indicators Table

**Minimum Documentation:**

- Map confirming distance to nearest census tract, if applicable.

**XII. MIXED INCOME DEVELOPMENTS**

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**One (1) point** will be awarded for Applications receiving a long-term ground lease (no less than 45-year) from a **local public housing authority or government entity** for nominal consideration and no other land costs. DCA defines “nominal consideration” as no more than \$100 per year. Leases can only be considered for points under this sub-section and not under any other scoring sub-section. No funds other than what is disclosed in the Application may be paid for the lease either directly or indirectly. The Lessor must be willing to execute the tax credit Land Use Restriction Agreement in order to qualify for points in this section.

**Minimum Documentation:**

- A binding long-term executed ground lease or an executed option for a binding long-term ground lease, that clearly provides the right for the applicant to execute a binding agreement upon closing, with a minimum term of forty-five (45) years.
- Letter from Lessor that states it will execute the Land Use Restriction Covenant

## **XX. HISTORIC PRESERVATION**

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### **1 Point**

Applicants may claim points in either A or B.

#### **A. Historic Tax Credit Proceeds**

**1 point** will be awarded if the proposed development includes historic tax credit proceeds and is an Adaptive Reuse of a certified historic structure (either listed individually on the National Register, or as a contributing structure in a National Register Historic District) or is deemed historic via a Georgia DNR-HPD approved NPS Part 1- Evaluation of Significance to have a preliminary determination of listing on the National Register.

For purposes of this scoring section, the building or buildings being adaptively reused must constitute at least 30% of the total units. Slabs, sheds, gazebos, trailers/mobile homes, pavilions, pump houses, barns, garages and single-family homes are not eligible for these points. DCA will look to the primary purpose of a structure in determining whether there has been a change in use.

**Minimum Documentation:**

- Documentation on the previous use of the building.
- Documentation of whether or not the building is occupied.
- Narrative of how building will be reused.
- Copy of Georgia DNR-HPD and NPS approved Part 1 - Evaluation of Significance.
- Preliminary equity commitment for historic rehabilitation credit (if applicable). If no historic tax proceeds will be claimed provide a letter explaining the situation in lieu of the requirement for documentation of a preliminary equity commitment.

#### **B. Historic Structure**

**1 point** will be awarded if property is a certified historic structure (either listed individually on the National Register, or as a contributing structure in a National Register Historic District) or is deemed historic via a Georgia DNR-HPD approved NPS Part 1- Evaluation of Significance to have a preliminary determination of listing on the National Register. The historic structure must house at least 50% of the total units.

- For properties located outside of Georgia, if requested by DCA as part of Threshold Qualification, a letter from the Syndicator or HFA that documents the property compliance status of good standing. The letter of good standing must include percentage of ownership. Failure to provide such documentation upon DCA's request will result in those properties not being included as 'Successful Properties' for additional points.

## XXII. DCA HOUSING ASSISTANCE

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### ***Up to 3 points***

Applicants may claim points under both A and B below.

#### **A. Match for DCA Supportive Housing Programs**

To be eligible for points under this subsection, Applicant must also be eligible for and claim 1 point under subsection *B. DCA Housing Assistance Agreement*.

**2 points** will be awarded to up to three Applications and no more than one application per Local Government Boundary. Selection will be based on the DCA competitive ranking process to identify proposed developments most conducive to working with DCA supportive housing programs. Applications will be competitively ranked based on the following criteria:

- Unit mix: Proposed unit mix is conducive to DCA PBRA contracting with one-bedroom units during periods of low vacancy.
- Site characteristics:
  - Property is located near public transportation
  - Closest public transportation operates frequently
  - Property is near health care services distinctly relevant to individuals requiring permanent supportive housing, or such services are accessible by proximate public transportation
  - Property is located near retail amenities with offerings equivalent to those provided by options (a), (c), or (g) in *Desirable/Undesirable Activities*, subsection A. *Desirable Activities*.
- Local government area characteristics: Applicant-submitted documentation evidences that the local government boundary exhibits a high concentration of both supportive housing needs and relevant services.
- Applicant has experience in the following:
  - owning or managing properties with HUD rental assistance
  - owning or managing properties serving individuals with disabilities, the formerly homeless, or other supportive housing
  - working with service providers
  - working with a referring state health agency
- If applicable, applicant has a strong track record with DCA-funded property compliance and maintaining commitments under previous DCA PBRA agreements.

Applications are only eligible for points if the proposed development has sufficient units without PBRA contracts to allow for contracting in the unit amounts outlined in *Exhibit C of Appendix II*

PBRA contracts from HUD, USDA RD, or a PHD comprise the proportions of overall units in the below table:

Percentage of overall units	Points
90% or more	6
70% to 90%	4
50% to 70%	2

**Minimum Documentation:**

- PBRA contracts evidencing points claimed

**XXVIII. SUBSIDY EXPIRATION**

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***Up to 7 points***

PBRA contracts from HUD, USDA RD, or a PHA are set to expire within the time frames below:

Expiration year	Points
Prior to 2025	5
2026 to 2030	3

For purposes of USDA rental assistance, the subsidy expiration year will be based on the loan maturity date for the associated USDA loan.

An **additional 2 points** will be awarded to Applications with subsidies expiring prior to 2025 that also provide a letter from HUD or USDA RD indicating that the property is at risk of market conversion.

**Minimum Documentation:**

- PBRA contracts evidencing points claimed
- Loan documentation evidencing maturity date, if claiming points for USDA RD subsidy
- Letter from HUD or USDA RD, if applicable

**XXIX. PROPERTY SIZE**

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***Up to 2 Points***

Application points will be assigned points in accordance with the following tiers:

Units at the Existing Property	Points
70 to 100 units	1
69 or fewer units	2

## XXX. READINESS TO PROCEED FOR 4% CREDIT APPLICATIONS

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### 16 points

Applications claim points in either A or B depending on construction type.

Applications will be assigned 16 points and points will be deducted in accordance with the process set forth in *Application Completeness*, subsection A. *Missing/Incomplete Documents/Organization*.

**A. New Supply Readiness:** Submitted Application includes documentation necessary to meet all requirements in *Appendix I Threshold*.

**B. Rehabilitation Readiness:** Submitted Application includes the following:

- Physical Needs Assessment
- DCA Rehabilitation Work Scope Form
- DCA Physical Needs Assessment Fannie Mae Forms
- Documentation substantiating requests to waive QAP requirements, if applicable.

## XXXI. NEW MARKET TAX CREDITS

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### 4 Points

Proposed Housing Tax Credit property will be co-developed with a commercial development funded by New Market Tax Credits (NMTC), as substantiated by a letter from the Community Development Entity (CDE) that received a NMTC award. The low-income housing and commercial components must be part of the same mixed-use development plan either on the same parcel or adjacent parcels.

Developing affordable housing proximate to an existing NMTC-funded development within a local government designated mixed-use overlay does not by itself constitute point eligibility under this section.

The NMTC-funded commercial component must provide community benefits accessible to residents at the property.

#### Reference Documentation:

- [New Market Tax Credits program](#) webpage

#### Minimum Documentation:

- Description of how the NMTC-funded commercial component provides a benefit accessible to property residents.
- Letter from CDE confirming the following:
  - The commercial component of the mixed-use development is funded by NMTCs awarded to the CDE
  - The proposed Housing Tax Credit development is not solely proximate to the NMTC development, but is part of a mixed-use co-development plan.
- Documentation of communications from U.S. Department of the Treasury substantiating that the CDE providing the above letter received the NMTC award being utilized to fund the

commercial component.

- Documentation reflecting the condominium structure or master lease that determines the relationship between the Application and the commercial component awarded NMTCs.

### **Exhibit A of Appendix II Community Transformation Rubric**

Applicants must meet all requirements listed in *Appendix II Scoring, Community Transformation* in the 2020 QAP to be eligible for this competitive ranking.

#### **A. Community Partnerships**

Partnership letters that do not confirm the number of years for the partnership will not be considered for determining any of the point opportunities below.

##### **A1. Number of partnerships**

3 points	2 points	1 point
5 or more partnerships	4 partnerships	3 partnerships

##### **A2. Combined number of years for partnerships**

4 points	3 points	2 points	1 point
More than 16 years	13-16 years	9-12 years	5-8 years

*Note: No more than 5 years per partnership can be counted towards the combined years total.*

##### **A3. Partnerships cover a variety of sectors**

Quantitative/numerical data evidence how each joint effort has improved residents' access to the following sectors: education, health, employment, and transportation services.

3 points	2 points	1 point
Partnerships span all four sectors	Three sectors	Two sectors

*Note: To be considered "quantitative/numerical data," there must be at least one numerical outcome reflected in the documentation serving as evidence for each sector (education, health, employment, or transportation).*

#### **B. Equitable Allocation**

##### **B1. Geographic Allocation**

**(3 points)** The proposed development in the application is not within and does not overlap a Defined Neighborhood already containing a Community Transformation initiative funded in 2017, 2018, or 2019.

4% Applications. See Core, 4% Federal Credit – Bond Financed Projects for applicable procedures.

- 2. Application Submission Package:** A complete Application package must include all required documentation and all applicable Application fees.

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The above limitations apply to Ownership interests of all proposed Project Participants except for Syndicators. Ownership interests of all Project Participants in the proposed Applications will be reviewed. If it is determined that a Project Participant has proposed Ownership interests in excess of the above limitations, DCA will only evaluate the first submissions up to applicable limitation. Any other Applications which include the same Project Participant will be considered ineligible and will not be evaluated.

### **D. Award Limitations**

- 1. Project Limitations:** DCA will not award more than \$1,000,000 of Credits to any Metro pool Application or more than \$900,000 of Credits to any Rural pool Application in the competitive round.
- 2. Maximum Ownership/Development Interests:** Applicants will be limited to direct or indirect Ownership/Development interest in a maximum of two (2) selected projects in which the combined total Federal Credit from the 2021 competitive funding round cannot exceed one million eight hundred thousand dollars (\$1,800,000) and/or total HOME funding cannot exceed twenty-five percent (25%) of the total HOME Loan resources available. This limitation applies to direct or indirect Ownership/Development interests of all proposed Project Participants, except Syndicators and Management Companies. Once an applicant has been awarded projects that meet the above limits, all of that Applicant's lower scoring projects will be deemed ineligible. For non-profit applicants, DCA will look at Executive Directors and common threads of effective control as well as whether different non-profit entities have met DCA

#### **D. Broadband Access**

Applicants must provide free high-speed Wi-Fi internet access in the required community room or building. Access must be provided through the entirety of the Compliance Period and Extended Use Period.

For purposes of this subsection, high speed means the capability to transmit at a rate of not less than 25 megabits per second in the downstream direction and at least 3 megabits per second in the upstream direction to end users.

#### **Reference Documentation:**

- DCA Architectural Manual, Appendix I: Architectural Standards

### **XX. EXPERIENCE, CAPACITY AND PERFORMANCE REQUIREMENTS FOR GENERAL PARTNER AND DEVELOPER ENTITIES**

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#### **Overview**

DCA must comply with statutory requirements to take into consideration the qualifications of the Project Team for a proposed project or to own and operate a tax credit property. A proposed Project Team in a submitted Application or in any request related to a transfer of an interest must have experience, capacity and successful performance in the Tax Credit Program to own and/or develop a tax credit project. Further, all properties must have Project Teams that are substantially compliant with DCA rules, Section 42 Program requirements and regulations and HOME Partnership program requirements and regulations. Overall, DCA reviews the following four areas of the proposed Project Team:

- Experience
- Capacity
- Performance
- Compliance History

Project Teams may be reviewed for qualifications at Pre-Application or Application Submission. To receive a full Threshold review at Pre-Application under this section, Applicant must have the project team and construction type finalized by Pre-Application. If either is "To Be Determined," DCA will not conduct a team qualifications review during the Pre-Application review phase.

#### **A. Certifying Entities**

##### **1. Identifying the Certifying Entity**

The Project Team must have a Certifying Entity for both the General Partner and the Developer entities of the proposed project. A Certifying Entity must meet the DCA experience requirements and be determined to have the capacity to complete the proposed project. Certifying Entities must show that they have the ability to exercise effective control of decisions on behalf of each entity.

Effective control can be demonstrated by an entity or Principal that:

- a) has a majority interest in the General Partner and/or Developer or
- b) is a managing member of a limited partnership or single purpose entity, or limited liability company.
- c) Other methods approved by DCA that clearly show effective control



and employee units will not be included in the total residential units.)

**4% Credit Applications are only eligible to claim points under subsection B.**

**A. Deeper Targeting Through Rent Restrictions**

**2 Points**

**Two (2) points** will be awarded to Applications with an overall property area median income, calculated based on the imputed income and rent limitations (20%, 30%, 40%, 50%, 60%, 70%, 80%) for each affordable unit, equal to or less than 58%. Applicants may do so by utilizing either

- income averaging, or
- the 40% at 60% minimum set-asides and targeting units at lower levels.

*(PBRA and public housing units can be used to claim points in this category).*

**B. Deeper Targeting Through New PBRA Contracts**

**3 Points**

**Three (3) points** will be awarded to Applications that have an award of new government-funded project based rental assistance (PBRA). Applicants shall be eligible for points in this category provided all of the following requirements are met:

- PBRA is for at least 30% of total residential units. (Common spaces and employee units will not be included); and
- PBRA contract has a minimum term of ten (10) years.

New PBRA contracts do not include public housing units, bifurcation, or renewal of existing contracts. Properties with existing PBRA contracts are not eligible for these points.

**Minimum Documentation:**

Commitment for PBRA executed by authorized regulatory agency.

**V. DESIRABLE/UNDESIRABLE ACTIVITIES**

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***Up to 20 Points***

**A. Desirable Activities**

Points will be awarded for each desirable activity/characteristic category as set forth below. Applicants will be limited to receiving a maximum of **twenty (20) points** under this section.

**1. Requirements**

- a) Driving or walking routes must originate from geo-coordinates of the pedestrian or vehicle site entrance and end at the geo-coordinates of the desirable amenity.
- b) Each building/entity/location will be assigned to only one (1) desirable category, with the exception of an amenity under (a), (c), (g), or (l) below, which may be assigned to up to two (2) desirable categories. (Example: a public park may have a gymnasium and/or a swimming pool, or a supermarket may have a pharmacy).
- c) Desirable characteristics that are under construction may be eligible for points if the construction site is clearly active and the new structures are above ground at the time of Applicant Submission.
- d) For Scattered Site Projects, desirable amenities must be measured from the center point of each Scattered Site locations.

**Metro Pools** point determinations:

<b>Distance</b> (miles)	0.5	1	1.5
<b>Points</b> (Group 1)	2.5	2	1.5
<b>Points</b> (Group 2)	2	1.5	1

**B. Undesirable/Inefficient Site Activities/Characteristics**

In determining whether an undesirable activity/characteristic is near a proposed site, the Applicant must consider any undesirable activity/characteristic that is located within the radius of 0.25 miles of the proposed site. **Two (2) points** will be **deducted** from the Applicant’s Desirable points for each Undesirable activity/characteristic.

For scattered-site projects, the Applicant must evaluate the 0.25-mile radius from each non-contiguous parcel separately.

**1. Undesirable/Inefficient Site Activities/Characteristics may include but are not limited to the following:**

- a) Inappropriate surrounding property uses (examples include but are not limited to junkyards, dumps, landfills, materials storage areas, commercial livestock operations, uses that generate odor, and uses that generate excessive glare from lighting).
- b) Potential or existing environmental hazards such as chemical or heavy manufacturing activities, industrial development, facilities listed in Federal or State hazardous inventory databases, gas stations with a history of leaking underground storage tanks, auto repair stations, and dry cleaners with a history of contaminant releases.
- c) Abandoned houses or buildings that are unoccupied and unsecured and/or detract from an area’s physical appearance, diminish living conditions and/or safety of the neighborhood, and/or decrease the marketability of the proposed sites (“abandoned” will be determined by the following factors: unsecured entrances (windows and doors) and lack of maintenance). Additionally, deteriorated housing or buildings where extensive defects are evident from the exterior of the building and which depress an area’s physical appearance, diminish living conditions and/or safety of the neighborhood, and decrease the marketability of the proposed site.
- d) Extensive mitigation that can translate to a less efficient use of resources. Examples include extensive noise mitigation costs, steep grade changes that require extensive grading and/or retaining walls, extensive floodplain or wetland areas that render the existing soils unsuitable for required bearing capacity, and inefficient use of land/excessive site acreage in relation to the number of units constructed.
- e) Property falls within a food desert, defined as a low-income census tract where a significant number or share of residents is more than 2 miles (USDA urban) or 20 miles (USDA rural) from the nearest supermarket. This point deduction will not be applied to properties qualifying for supermarket or grocery store point determinations under subsection A. *Desirable Activities*.

DCA will review the undesirable activity or establishment’s proximity to the property and the impact of the activity on the proposed project and its residents in determining a point deduction.

**2. Exceptions to Undesirable Deductions:**

If the Applicant has knowledge at the time of Application that an undesirable activity/characteristic is temporary and that a change or mitigation will remove the undesirable

activity as set forth below, no points will be deducted.

DCA will consider mitigation to be performed by a third party that will remove the undesirable condition if it is scheduled to occur prior to September 1, 2021. Applicants will need to supplement their Application by providing evidence to DCA that the condition has been mitigated by September 1, 2021 (Applicants will not be notified prior to the deadline that this documentation should be submitted).

If the mitigation will be completed by the Applicant or a Local Government, the condition must be mitigated by the placed in-service date for the project. Applicants must provide clear documentation that they have the site control and resources to complete the mitigation. A Local Government must provide definitive documentation that the specific undesirable mitigation will occur prior to the placed in service date.

**Minimum Documentation:**

- Desirable/Undesirable Certification Form
- Google Maps driving or walking route for each claimed desirable starting from the walking and/or driving entrance of the desirable amenity
- Evidence of mitigation of undesirable activity/characteristic from the third party responsible for the mitigation by the date noted above, if applicable.
- If (h): Documentation of State license.
- Site map indicating the specific location of the nearest grocery store (including distance from site) and copy of USDA Food Access Research Atlas showing “LI and LA at 1 and 20 miles” layer with site location clearly marked. USDA Food Access Research Atlas is available at: <http://www.ers.usda.gov/data-products/food-access-research-atlas/go-to-the-atlas.aspx>

## **VI. COMMUNITY TRANSPORTATION OPTIONS**

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### ***Up to 6 Points***

Applicants may claim points in A or B.

Community Transportation Options must meet the following criteria:

- Transportation service must be publicized to the general public via website or published brochure.
- Transportation service must be available to all residents of the proposed development/site.
- For subsection A, transportation route must have a local route. Multi-stop express routes providing regional transit are only eligible under subsection B.
- Routes that only run direct will not qualify.
- On-call transportation services are not eligible for points in **the Atlanta Metro Pool**.

DCA will measure required distances from the geo-coordinates of a pedestrian site entrance to the proposed transit stop. DCA will not identify and/or measure any route other than the route submitted in the Application to determine whether points should be awarded to the Applicant.

For Scattered Site Properties, each non-contiguous parcel must meet the above criteria.

No Project Participants or affiliates may fund transportation options for purposes of claiming points in this scoring section.

### **A. Transit-Oriented Development**

**6 Points**

provide a reliable and available transportation option to all residents of the development. If the rural transportation option is a fixed-route service, the stop must be within a 0.5-mile walking distance of the site. If the transportation option is on-call, the service must be available on-site.

**Minimum Documentation:**

- Map showing the location of the transit stop in relation to the proposed development site and clearly indicating the site entrance or pedestrian site entrance to be used in calculating distance.
- Google Map walking routes must originate from geo-coordinates of the pedestrian site entrance or the nearest physical address and end at the transit stop.
- Photograph of the transit stop accompanied by description of the stop’s location (if applicable).
- PDF of the transit service webpage documenting the following criteria. If the website does not include all criteria, a letter from the transit agency is required including all criteria listed below, as well as the transit service’s phone number and email address.
  - Webpage URL
  - Cost of service
  - Relevant transit route(s)
  - Route schedule
- Rural Applicants claiming a point for on-call transportation services must include a PDF of the transit service webpage documenting the following criteria. If the website does not include all criteria, a letter from the transit agency is required including all criteria listed below, as well as the transit service’s phone number and email address.
  - Webpage URL
  - Cost of service

**VII. ENRICHED PROPERTY SERVICES**

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**3 points**

Applicant agrees to provide services supporting resident outcomes related to education, health, transportation access, or economic security at the proposed development for a minimum of five years following the property placing in service. Services must be provided at least monthly and be offered for \$15 or less.

Each Applicant will be limited to claiming points under this section for one Application in which a Project Team member has a direct or indirect interest. Failure by the Applicant to designate these points to only one qualified Application will result in no points being awarded to any Project Team member’s Application.

To be eligible for points under this subsection, one of the following must apply:

- An entity in the General Partnership has received a certification from Certified Organization for Resident Engagement & Services (CORES).
- Applicant agrees to contract with a CORES-certified organization to provide services. The Applicant must provide a letter of intent from a CORES-certified organization describing interest and capacity to provide services at the proposed development.

**Reference Documentation**

- [CORES website](#)

**Minimum Documentation:**

- Proof of CORES certification.
- Signed letter of intent from service provider, if claiming points for contracting with an entity outside of the General Partnership.
- Entities not CORES certified by Application Submission Deadline must provide:
  - Proof that CORES Pre-Screen Application has been approved.
  - Proof that CORES application was submitted prior to Application Submission Deadline.
  - Proof of CORES certification emailed to [hfdround@dca.ga.gov](mailto:hfdround@dca.ga.gov) by August 15 following Application Submission Deadline.

## VIII. QUALITY EDUCATION AREAS

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### ***Up to 3 Points***

Points will be awarded to Applications with sites located in the attendance zone of high-performing schools as defined below. For a school to qualify:

- A school cannot have district-wide enrollment unless the school is the only school in the district.
- A school must serve grades between Kindergarten and 12<sup>th</sup> grade.
- Schools for which student admission is conducted on a selective basis (e.g., lottery, competitive application) are not eligible.

Each school qualifying for points must meet requirements for (a) or (b) below.

a) College and Career Readiness Performance Index (CCRPI) scores are above average. DCA will post a document on its website displaying the average CCRPI scores schools need to exceed to receive points in this subsection.

- Schools that have three years of published CCRPI scores must use a 3-year average.
- Schools that only have two years of published CCRPI scores may use a 2-year average.
- Schools that only have one year of published CCRPI scores may use 1-year data.
- Schools serving grades that span multiple Grade Clusters as defined by Georgia Department of Education (Elementary, Middle, and High School) must have a CCRPI score greater than the lowest score of the multiple clusters.

b) School receives 2019 or 2020 “Beating the Odds” designation

Many Georgia schools have fewer grades than a full Grade Cluster (e.g., a Middle School with only grades 7 and 8). Points will be awarded based on the number of grades within schools that meet the requirements of (a) or (b) and property tenancy.

<b>Tenancy</b>	<b>All tenancies</b>			<b>Family</b>
<b>Grades in schools meeting (a) or (b)</b>	<b>3</b>	<b>8</b>	<b>All K-12</b>	<b>All K-12</b>
<b>Points</b>	<b>1</b>	<b>1.5</b>	<b>2</b>	<b>3</b>

If two or more qualifying schools overlap in grades, an individual grade will only be counted once.

### **Minimum Documentation:**

**Minimum Documentation:**

- Each page of FFIEC census report demonstrating the proposed site meets requirements. Data must be from the most current FFIEC census report as of January 1, 2021.
- If applicable, map clearly showing distance from site entrance to border of census tract meeting requirements.

**B. Health and Socioeconomic Conditions in Stable Communities**

**6 Points**

**Up to 6 points** will be awarded based on the percentile rank of the site census tract along certain health and economic statistics determined by the Census Bureau’s American Community Survey. The following metrics will be used:

- Health indicators:
  - Percentage of population with health insurance
  - Life Expectancy
- Economic indicators:
  - Median household income

Points will be awarded in accordance with the table below.

**Census Tract Percentile and Scores**

<i>Percentile Range</i>	60 – 69	70 – 79	80 or higher
<i>Points per statistic within range</i>	1	1.5	2
<i>Percentage of population with health insurance</i>	89.7 - 91.1	91.1 - 93.0	93.0 or higher
<i>Life expectancy</i>	77.5 - 78.5	78.5 - 79.64	79.64 or higher
<i>Median household income</i>	56,691 - 64,773	64,773 - 75,298	75,298 or higher

Applicants within a census tract for which there is no estimate may utilize the score of the census tract closest to the site.

DCA will publish the data to be utilized for this section on the DCA website. If the Census Bureau conducts a data update between November 1, 2020 and the Application Submission Deadline, the Application will receive points based on the higher statistics set. Applicants cannot claim points based on statistics from both before and after a data update.

**Reference Documentation:**

- [American Community Survey](#) (Census Bureau)
- DCA Local Socioeconomic Indicators Table

**Minimum Documentation:**

- Map confirming distance to nearest census tract, if applicable.

**XII. MIXED INCOME DEVELOPMENTS**

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**One (1) point** will be awarded for Applications receiving a long-term ground lease (no less than 45-year) from a **local public housing authority or government entity** for nominal consideration and no other land costs. DCA defines “nominal consideration” as no more than \$100 per year. Leases can only be considered for points under this sub-section and not under any other scoring sub-section. No funds other than what is disclosed in the Application may be paid for the lease either directly or indirectly. The Lessor must be willing to execute the tax credit Land Use Restriction Agreement in order to qualify for points in this section.

**Minimum Documentation:**

- A binding long-term executed ground lease or an executed option for a binding long-term ground lease, that clearly provides the right for the applicant to execute a binding agreement upon closing, with a minimum term of forty-five (45) years.
- Letter from Lessor that states it will execute the Land Use Restriction Covenant

## **XX. HISTORIC PRESERVATION**

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### **1 Point**

Applicants may claim points in either A or B.

#### **A. Historic Tax Credit Proceeds**

**1 point** will be awarded if the proposed development includes historic tax credit proceeds and is an Adaptive Reuse of a certified historic structure (either listed individually on the National Register, or as a contributing structure in a National Register Historic District) or is deemed historic via a Georgia DNR-HPD approved NPS Part 1- Evaluation of Significance to have a preliminary determination of listing on the National Register.

For purposes of this scoring section, the building or buildings being adaptively reused must constitute at least 30% of the total units. Slabs, sheds, gazebos, trailers/mobile homes, pavilions, pump houses, barns, garages and single-family homes are not eligible for these points. DCA will look to the primary purpose of a structure in determining whether there has been a change in use.

**Minimum Documentation:**

- Documentation on the previous use of the building.
- Documentation of whether or not the building is occupied.
- Narrative of how building will be reused.
- Copy of Georgia DNR-HPD and NPS approved Part 1 - Evaluation of Significance.
- Preliminary equity commitment for historic rehabilitation credit (if applicable). If no historic tax proceeds will be claimed provide a letter explaining the situation in lieu of the requirement for documentation of a preliminary equity commitment.

#### **B. Historic Structure**

**1 point** will be awarded if property is a certified historic structure (either listed individually on the National Register, or as a contributing structure in a National Register Historic District) or is deemed historic via a Georgia DNR-HPD approved NPS Part 1- Evaluation of Significance to have a preliminary determination of listing on the National Register. The historic structure must house at least 50% of the total units.

- For properties located outside of Georgia, if requested by DCA as part of Threshold Qualification, a letter from the Syndicator or HFA that documents the property compliance status of good standing. The letter of good standing must include percentage of ownership. Failure to provide such documentation upon DCA's request will result in those properties not being included as 'Successful Properties' for additional points.

## XXII. DCA HOUSING ASSISTANCE

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### ***Up to 3 points***

Applicants may claim points under both A and B below.

#### **A. Match for DCA Supportive Housing Programs**

To be eligible for points under this subsection, Applicant must also be eligible for and claim 1 point under subsection *B. DCA Housing Assistance Agreement*.

**2 points** will be awarded to up to three Applications and no more than one application per Local Government Boundary. Selection will be based on the DCA competitive ranking process to identify proposed developments most conducive to working with DCA supportive housing programs. Applications will be competitively ranked based on the following criteria:

- Unit mix: Proposed unit mix is conducive to DCA PBRA contracting with one-bedroom units during periods of low vacancy.
- Site characteristics:
  - Property is located near public transportation
  - Closest public transportation operates frequently
  - Property is near health care services distinctly relevant to individuals requiring permanent supportive housing, or such services are accessible by proximate public transportation
  - Property is located near retail amenities with offerings equivalent to those provided by options (a), (c), or (g) in *Desirable/Undesirable Activities*, subsection A. *Desirable Activities*.
- Local government area characteristics: Applicant-submitted documentation evidences that the local government boundary exhibits a high concentration of both supportive housing needs and relevant services.
- Applicant has experience in the following:
  - owning or managing properties with HUD rental assistance
  - owning or managing properties serving individuals with disabilities, the formerly homeless, or other supportive housing
  - working with service providers
  - working with a referring state health agency
- If applicable, applicant has a strong track record with DCA-funded property compliance and maintaining commitments under previous DCA PBRA agreements.

Applications are only eligible for points if the proposed development has sufficient units without PBRA contracts to allow for contracting in the unit amounts outlined in *Exhibit C of Appendix II*



PBRA contracts from HUD, USDA RD, or a PHD comprise the proportions of overall units in the below table:

Percentage of overall units	Points
90% or more	6
70% to 90%	4
50% to 70%	2

**Minimum Documentation:**

- PBRA contracts evidencing points claimed

**XXVIII. SUBSIDY EXPIRATION**

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***Up to 7 points***

PBRA contracts from HUD, USDA RD, or a PHA are set to expire within the time frames below:

Expiration year	Points
Prior to 2025	5
2026 to 2030	3

For purposes of USDA rental assistance, the subsidy expiration year will be based on the loan maturity date for the associated USDA loan.

An **additional 2 points** will be awarded to Applications with subsidies expiring prior to 2025 that also provide a letter from HUD or USDA RD indicating that the property is at risk of market conversion.

**Minimum Documentation:**

- PBRA contracts evidencing points claimed
- Loan documentation evidencing maturity date, if claiming points for USDA RD subsidy
- Letter from HUD or USDA RD, if applicable

**XXIX. PROPERTY SIZE**

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***Up to 2 Points***

Application points will be assigned points in accordance with the following tiers:

Units at the Existing Property	Points
70 to 100 units	1
69 or fewer units	2

## XXX. READINESS TO PROCEED FOR 4% CREDIT APPLICATIONS

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### 16 points

Applications claim points in either A or B depending on construction type.

Applications will be assigned 16 points and points will be deducted in accordance with the process set forth in *Application Completeness*, subsection A. *Missing/Incomplete Documents/Organization*.

**A. New Supply Readiness:** Submitted Application includes documentation necessary to meet all requirements in *Appendix I Threshold*.

**B. Rehabilitation Readiness:** Submitted Application includes the following:

- Physical Needs Assessment
- DCA Rehabilitation Work Scope Form
- DCA Physical Needs Assessment Fannie Mae Forms
- Documentation substantiating requests to waive QAP requirements, if applicable.

## XXXI. NEW MARKET TAX CREDITS

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### 4 Points

Proposed Housing Tax Credit property will be co-developed with a commercial development funded by New Market Tax Credits (NMTC), as substantiated by a letter from the Community Development Entity (CDE) that received a NMTC award. The low-income housing and commercial components must be part of the same mixed-use development plan either on the same parcel or adjacent parcels.

Developing affordable housing proximate to an existing NMTC-funded development within a local government designated mixed-use overlay does not by itself constitute point eligibility under this section.

The NMTC-funded commercial component must provide community benefits accessible to residents at the property.

#### Reference Documentation:

- [New Market Tax Credits program](#) webpage

#### Minimum Documentation:

- Description of how the NMTC-funded commercial component provides a benefit accessible to property residents.
- Letter from CDE confirming the following:
  - The commercial component of the mixed-use development is funded by NMTCs awarded to the CDE
  - The proposed Housing Tax Credit development is not solely proximate to the NMTC development, but is part of a mixed-use co-development plan.
- Documentation of communications from U.S. Department of the Treasury substantiating that the CDE providing the above letter received the NMTC award being utilized to fund the

commercial component.

- Documentation reflecting the condominium structure or master lease that determines the relationship between the Application and the commercial component awarded NMTCs.

### Exhibit A of Appendix II Community Transformation Rubric

Applicants must meet all requirements listed in *Appendix II Scoring, Community Transformation* in the 2020 QAP to be eligible for this competitive ranking.

#### A. Community Partnerships

Partnership letters that do not confirm the number of years for the partnership will not be considered for determining any of the point opportunities below.

##### A1. Number of partnerships

3 points	2 points	1 point
5 or more partnerships	4 partnerships	3 partnerships

##### A2. Combined number of years for partnerships

4 points	3 points	2 points	1 point
More than 16 years	13-16 years	9-12 years	5-8 years

*Note: No more than 5 years per partnership can be counted towards the combined years total.*

##### A3. Partnerships cover a variety of sectors

Quantitative/numerical data evidence how each joint effort has improved residents' access to the following sectors: education, health, employment, and transportation services.

3 points	2 points	1 point
Partnerships span all four sectors	Three sectors	Two sectors

*Note: To be considered "quantitative/numerical data," there must be at least one numerical outcome reflected in the documentation serving as evidence for each sector (education, health, employment, or transportation).*

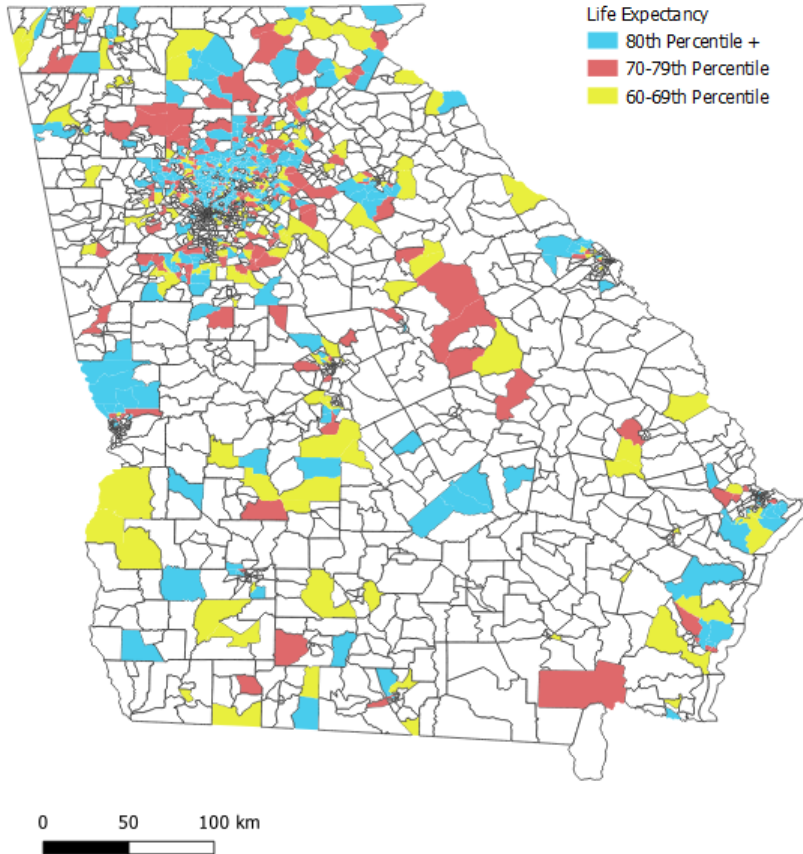
#### B. Equitable Allocation

##### B1. Geographic Allocation

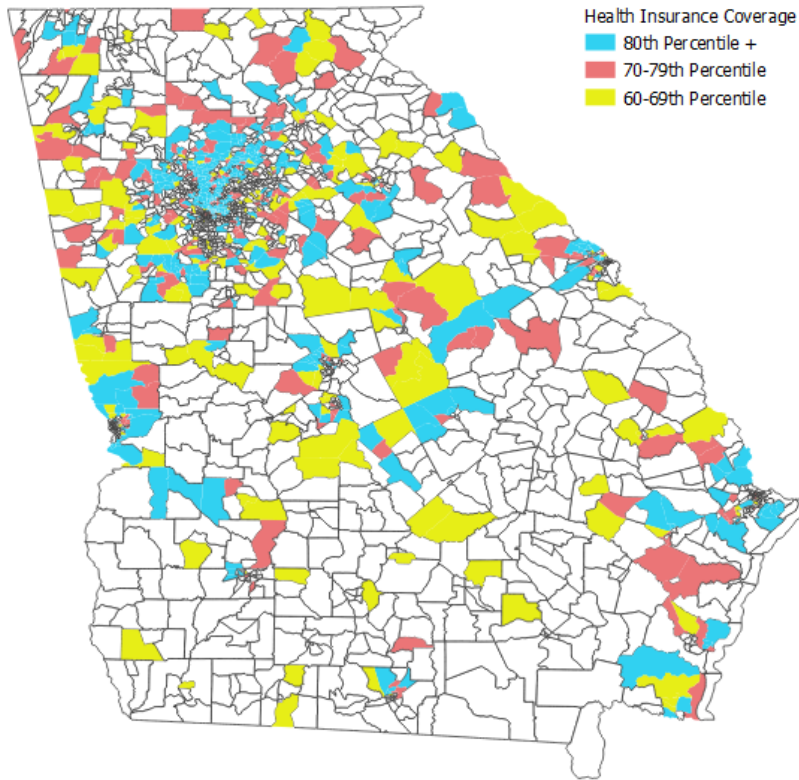
**(3 points)** The proposed development in the application is not within and does not overlap a Defined Neighborhood already containing a Community Transformation initiative funded in 2017, 2018, or 2019.

**Proposed Stable Communities Changes: Geographic Distribution**

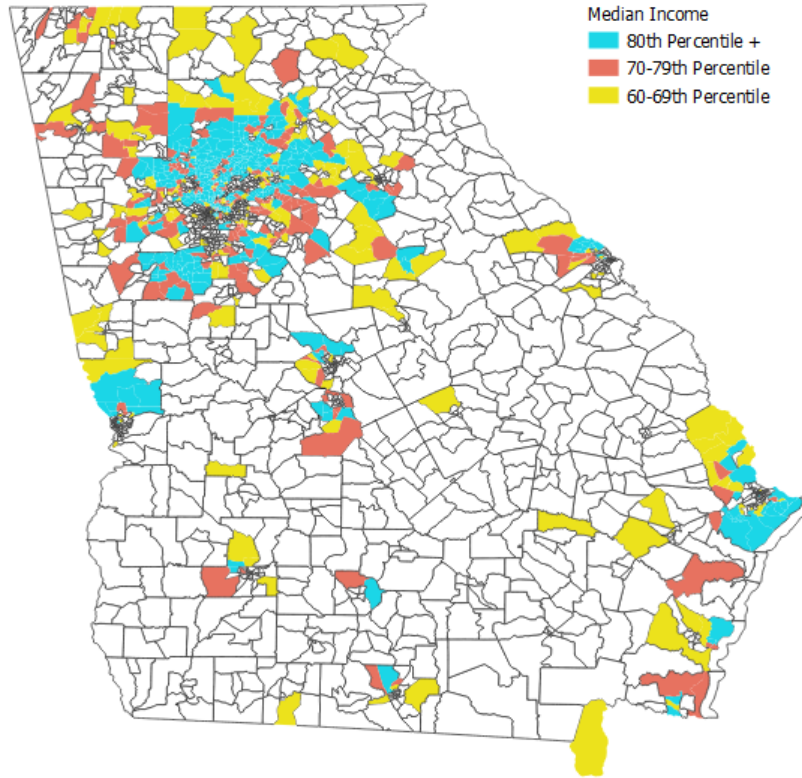
# Life Expectancy in Georgia Census Tracts



# Health Insurance Coverage in Georgia Census Tracts



# Median Income in Georgia Census Tracts



Median Income  
80th Percentile +  
70-79th Percentile  
60-69th Percentile

0 50 100 km