



## 2021 Qualified Allocation Plan Draft: Substantive Changes Summary

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*Please note that this document does not represent finalized changes or all potential changes to the 2021 QAP. DCA will update this Substantive Changes Summary to reflect further adjustments as we continue to receive public input during the 30-day public comment period.*

### Core

Section	Proposed Changes
<i>Geographic Pools</i>	Establish three geographic pools (Atlanta Metro, Other Metro, and Rural) to ensure broad geographic allocation of 9% credits and enable regionally specific policies for both 9% and 4% applications.
<i>9% Round Set Asides</i>	Establish rehabilitation set aside to enable rehabilitation-specific scoring criteria.
<i>4% Credits – Bond Financed Projects</i>	Establish baseline framework for competitive 4% tax credit application process once bond financing becomes available to support new applications.
<i>Submission Requirements and Award Limitations</i>	Establish limit of no more than two 4% tax credit applications per developer.
<i>Evaluation of 9% Tax Credit Competitive Applications</i>	Remove the “letter from DCA Portfolio Management” tiebreaker.
<i>Monitoring and Compliance</i>	Establish actions DCA will take in the event of significant construction process and quality non-compliance.

### Threshold

Section	Proposed Changes
<i>Market Feasibility</i>	Adjustments to market feasibility requirements and applicability regarding capture rates, occupancy, and rent differential to market rents.
<i>Appraisals</i>	Establish DCA right to commission an appraisal for properties submitted under consecutive competitive rounds. If year over year acquisition costs significantly

	exceed market area growth and said increase impacts tax credit award, DCA may commensurately reduce the tax credit award.
<i>Community Service Facility</i>	Establish submission requirements for applications proposing community service facilities as defined by Section 42.
<i>Architectural Design &amp; Quality Standards</i>	Require high-speed internet access via Wi-Fi networks or functional equivalent to resident units and common areas around the property.
<i>(2020 QAP) Eligibility for Credit Under Rural HOME Preservation Set Aside</i>	This HOME-specific set aside has been removed and replaced with the Rehabilitation Set Aside established in <i>Core</i> .

## Scoring

Section	Proposed Changes
<i>Applicability of Scoring Criteria</i>	Denotes which scoring sections apply to which applications based on tax credit type (9% or 4%) and construction type.
<i>Desirable/Undesirable Activities</i>	<p><u>A. Desirable Activities:</u> New scoring options to reflect variation in proximity and amenity type.</p> <p><u>B. Undesirable Characteristics:</u> Remove food desert point deduction for applications that qualify for grocery store points under <i>Desirable Activities</i>.</p>
<i>Community Transportation Options</i>	<p><u>A. Transit-Oriented Development:</u> Remove additional point option for family tenancy properties.</p> <p><u>B. Access to Public Transportation:</u> Increase Rural transportation access (on-call or fixed-route) points from 1 to 2.</p>
<i>Enriched Property Services</i>	<p>Replace point option available to all applications with competitive review process awarding points to a smaller number of applications.</p> <ul style="list-style-type: none"> <li>Note: target number of awards may be increased from 5 pending further internal review of applications previously received.</li> </ul>
<i>Quality Education Areas (formerly Place-Based Opportunity)</i>	<p>Quality Education Areas:</p> <ul style="list-style-type: none"> <li>This section available to all applications regardless of points claimed in other sections.</li> <li>Schools ineligible if ability to enroll is limited (e.g., competitive application or lottery).</li> <li>Increase point options: score increases for every two qualifying grades.</li> </ul>

	Remove subsection <i>Workforce Housing Need and Job Strength</i> utilizing Census Bureau’s OnTheMap tool. Replace with Opportunity 360 Economic Security measure now utilized in <i>Revitalization/Redevelopment Plans</i> and <i>Stable Communities</i> .
<i>Housing Stability</i>	Points for developing in areas where housing stability is low as measured by Opportunity 360.
<i>Revitalization/Redevelopment Plans</i>	<p><u>A. Revitalization Plan/Qualified Census Tract:</u></p> <ul style="list-style-type: none"> <li>Plans adopted within the last 10 years now qualify (previously 5 years).</li> <li>New point option if local government has demonstrated financial commitment to advancing revitalization plan.</li> </ul> <p><u>C. Economic Conditions:</u> New subsection awarding points based on variation in economic conditions among <i>Revitalization/Redevelopment Plan</i> applications.</p>
<i>Stable Communities</i>	Increased point opportunities under Opportunity 360 measures to reflect variation among <i>Stable Communities</i> applications.
<i>Previous Projects</i>	<p><u>A. 15-Years Lookback Period:</u> To qualify for 4-point option most recent award must have occurred prior to 2015.</p>
<i>Favorable Financing</i>	<p><u>A. Qualifying Sources:</u></p> <ul style="list-style-type: none"> <li>Loans originated by a conventional bank now ineligible.</li> <li>Points now awarded on a per-unit basis rather than percentage of TDC to dissociate points and underwriting inputs.</li> </ul> <p><u>B. Long-term ground lease:</u></p> <ul style="list-style-type: none"> <li>Nonprofit entities now an eligible lessor.</li> <li>Applications ineligible for these points if lessor is a member of the Project Team.</li> </ul>
<i>Housing Assistance Partnership</i>	<p><u>A. Exceptional DCA Housing Assistance Match:</u> Up to 3 applicants (and no more than 1 per municipality) receive points based on conduciveness to supporting DCA Housing Assistance programs.</p> <p><u>B. DCA Housing Assistance Agreement:</u> Point option for applicants agreeing to vacancy reporting and potential PBRA contracting to support DCA Housing Assistance programs.</p>
<i>Target Population Preference</i>	Point opportunity for applicants with PBRA able to offer a tenant selection preference for persons with specific disabilities identified in the Settlement Agreement (#1:10-CV-249-CAP).
<i>Occupancy</i>	Points for properties exhibiting high occupancy rates (rehabilitation applications only).

<i>Rent Advantage</i>	Points for properties located in areas where tax credit limits are significantly lower than market rents (rehabilitation applications only).
<i>Preservation and Displacement Prevention</i>	Points for properties exhibiting the following (rehabilitation applications only): <ul style="list-style-type: none"> <li>• Existing units are restricted (e.g., tax credit limits, PBRA)</li> <li>• Proposed unit mix minimizes displacement</li> <li>• Subsidy or unit restrictions expire within 5 years</li> </ul>
<i>Acquisition Cost</i>	Points for rehabilitation applications with lower acquisition costs.
<i>Scope of Work</i>	Points for applications most in need of repairs as determined by PNA-substantiated investment per unit.
<i>Property Size</i>	Points for smaller properties less likely to be able to utilize 4% tax credits for rehabilitation.
<i>Readiness to Proceed</i>	Points for 4% tax credit submissions under the competitive process that meet all Threshold requirements.
<i>Opportunity Zone</i>	Points for 4% tax credit applications located in a federal Opportunity Zone.
<i>New Market Tax Credits</i>	Points for 4% tax credit applications that are part of a mixed-use development awarded New Market Tax Credits.