



2021 Qualified Allocation Plan Development: October 21 Public Hearing Supplement

Posted October 21, 2020

DCA has posted a second draft of the 2021 QAP responding to public input, internal discussion, and research. Please note that this document does not reflect all changes between the first and second drafts. This document is intended solely to call out the most significant items to support discussion in the October 21 public hearing.

New Sections and Changes

Core:

- Rehabilitation Set Aside (7 awards): Now split into Housing Tax Credit track (4 awards) and Existing Subsidized track (3 awards).
- Bond-Financed Projects: DCA is considering two proposals for structuring 4% HTC applications under the 2021 QAP. In addition to the structure proposed in the draft which is largely unchanged in the second draft, DCA has posted the alternative proposal on the DCA website ([click here](#) to view “4% HTC Application Processing Proposal”).
- Construction Monitoring: changes and clarifications related to construction non-compliance, restrictive penalties, and the conditions that result in such restrictions.

Threshold:

- Broadband access: Owners must provide free Wi-Fi access in one conditioned area for every 125 units.
- DCA Underwriting Policies, Developer Fee Amounts: Removed 20,000 cap related to green building consultant fees.

Scoring:

- Enriched Property Services: points are now based on whether (a) the owner is CORES certified or (b) the owner secures an LOI from a third party that is CORES certified. Timeframes in the QAP for certification confirmation are set to allow plenty of time for an organization with a track record of service provision to receive a certification, assuming the organization would qualify.
- Community Transformation: Rubric is updated and incorporated into QAP as an exhibit, rather than an update posted later this year.

- Stable Communities: proposing to replace Opportunity 360 “Health and Wellness” and “Economic Security” measures with directly using the underlying Census data used to develop those measures. The new point tiers and statistics in the QAP second draft are not an exact replica of their Opportunity 360 counterparts from the first QAP draft, but they have been selected and set up to result in outcomes that are very similar.
- Rehabilitation Scoring: Please see the *Table of Applicability and Maximum Scoring Points* for a complete picture of rehabilitation scoring. However, below are new sections to call out:
 - 9% Housing Tax Credit track:
 - *Tax Credit Restrictions*: more points if restrictions expire sooner.
 - 9% Existing Subsidized track:
 - *Property age*: more points for older properties.
 - *Rental Assistance Contracts*: more points for more PBRA contracts as a proportion of units.
 - *Rental Assistance Contracts Expiration*: more points if PBRA contracts expire sooner.
- Readiness to proceed: This is now based on certain documents from the construction transmittal form – from the 60-Day Submission and from the Review Submission. Only applicable to 4% applications.

Removed From First Draft

Core:

- Rehabilitation set aside: Rehab set aside is no longer structured around geographic pools. However, DCA will not award more than one rehabilitation application within a county. For purposes of this limitation, the HTC competition will be ranked before the Existing Subsidized competition.

Scoring:

- Revitalization/Redevelopment plans: removed Economic Conditions subsection.
- Favorable Financing: Removed restriction that applicant can only claim ground lease points if they are not a member of the project team.
- Rent Advantage: this was intended to target NOAH preservation. If we do a preservation NOFA with a path for NOAH, a version of this section would likely be included.
- Acquisition cost: removed.
- Scope of work: removed.