

The Department’s Proposed Changes to the Multifamily Rental Financing Program Guide

Existing Section	Existing Language	Proposed Language	Action	Rationale
Overview and Policy Statement: The State Context	“...The QAP and Guide were crafted after the consideration of the Maryland Housing Needs Assessment & 10-Year Strategic Plan...”	“...The QAP and Guide were crafted after the consideration of the Maryland Housing Needs Assessment Update...”	Language updated.	Updated language for the 2025 update to the Housing Needs Assessment.
2.3 Application Review Process	“...Projects seeking competitive financing will be considered only upon DHCD’s receipt of a complete application by the application deadline...If an application is incomplete or does not meet the Threshold Criteria, it will be rejected, and the applicant will be notified in writing by DHCD”	“...Projects will be considered only upon DHCD’s receipt of a complete application. Competitive applications must received by the application deadline... If a competitive application is incomplete or does not meet the Threshold Criteria, it will be rejected, and the applicant will be notified in writing by DHCD through the project WorkCenter in Procorem... If a non-competitive application is incomplete or does not meet the Threshold Criteria, the applicant will be notified in writing through the project WorkCenter in Procorem. Applicants will have thirty (30) calendar days to address the issues outlined in the threshold letter. A thirty (30) calendar day extension may be granted by DHCD with sufficient explanation. Applicants that fail to meet the required deadline will be officially withdrawn with communication through the project WorkCenter in Procorem. Withdrawn applications that can demonstrate that they have addressed all outstanding threshold issues may	Language updated.	Updated threshold review language to reflect current DHCD policies.

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		request reinstatement within sixty (60) calendar days of the official withdrawal notification.”		
2.4.1 Application Form	“...Sponsors applying for 9% LIHTC and/or RHFP through the Competitive Funding Round must submit two complete copies of the application form including all attachments and exhibits – one (1) hard copy and one (1) electronic copy. Sponsors applying for MBP/4% LIHTC must submit one electronic copy of their application. DHCD reserves the right to require hard copy submissions of MBP/4% LIHTC applications...”	“...Sponsors applying for 9% LIHTC and/or RHFP through the Competitive Funding Round and sponsors applying for MBP/4% LIHTC must submit one electronic copy of their application through <a href="#">Procorem</a> . DHCD reserves the right to require hard copy submissions...Documents must be uploaded individually in the corresponding folder and be clearly named. Large PDFs containing multiple documents will not be accepted...”	Language updated.	Updated application submission criteria for fully electronic applications.
2.4.2 Fees	“All sponsors must pay a nonrefundable fee of \$ \$2,500 for each application requesting RHFP funds, RHW, MBP, or LIHTC...”	“All sponsors must pay a nonrefundable fee of \$5,000 for each application requesting RHFP funds, RHW, MBP, or LIHTC... A reinstatement fee of \$2,500 must be paid to reinstate 4% LIHTC/MBP projects that have been withdrawn due to threshold failure, if submitted within sixty (60) days of the threshold fail notification. After sixty (60) days, a new application fee will be required to reapply.”	Language updated.	Application fee updated and new reinstatement fee added for withdrawn projects.
2.5 Release of information	“...The information will be published on DHCD’s website and will include...Number of units reserved for persons with disabilities (PWD) or special needs tenants...”	“...The information will be published on DHCD’s website and will include...Number of units reserved for targeted populations...”	Language updated	Updated to capture all targeted population units.

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3 Threshold Criteria	“Projects must meet all of the following Threshold Criteria to ensure basic program guidelines are met and DHCD resources are reserved for projects that are viable and ready to proceed...”	“Projects must meet all of the following Threshold Criteria, including application form submission requirements in Section 2.4, to ensure basic program guidelines are met and DHCD resources are reserved for projects that are viable and ready to proceed...”	Language updated	Updated to clarify that application submission requirements are considered threshold criteria.
3.5.1 Uniform Federal Accessibility Standards Requirements	“...All projects, regardless of the source of funds, must comply with UFAS and any other applicable laws or requirements including, without limitation, to Section 504 of the Rehabilitation Act of 1973 (Section 504), the regulations implementing Section 504 at 24 CFR Part 8, the Americans with Disabilities Act (ADA), and the 2010 ADA Standards (as modified by HUD). Additional information about Section 504 is also available on the Section 504: Frequently Asked Questions page on HUD’s website...”	“...All projects, regardless of the source of funds, must comply with UFAS and any other applicable laws or requirements including, without limitation, to Section 504 of the Rehabilitation Act of 1973 (Section 504), the regulations implementing Section 504 at 24 CFR Part 8, the Americans with Disabilities Act (ADA), and the 2010 ADA Standards (as modified by HUD)...”	Language removed.	Removed reference to Section 504 FAQ page as it has been removed from HUD’s website.
3.5.3 Units for Persons Experiencing Homelessness	<p>“...Applicants may request a waiver of this requirement if they meet any of the conditions listed below.</p> <ul style="list-style-type: none"> <li>• 100% of the units are covered by a HAP contract; or</li> <li>• Competing in the Infill and Redevelopment Pool...”</li> </ul> <p>Waiver requests should include evidence such as the HAP or PRAC contract.”</p>	<p>“...Applicants may request a waiver of this requirement if they meet any of the conditions listed below.</p> <ul style="list-style-type: none"> <li>• 100% of the units are covered by a HAP contract; or</li> <li>• Existing income restrictions on the property above 30% AMI...”</li> </ul> <p>Waiver requests should include evidence such as the HAP or PRAC contract or Tax Credit Covenant.”</p>	Language updated.	Updated conditions for waiver requests in this section.

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3.7 RHFP and RHW Loan Requirements	“This section sets forth the terms applicable to RHFP and RHW loans. A sponsor of a project that has been awarded RHFP or RHW funds may generally choose the repayment option set forth in either Section 3.7.2 or 3.7.3, unless the underwriting for the project indicates that the project can bear a must-pay loan as described in Section 3.7.4. Sponsors must select a repayment option prior to execution of a loan commitment with DHCD.”	“This section sets forth the terms applicable to RHFP and RHW loans. A sponsor of a project that has been awarded RHFP or RHW funds may generally choose the repayment option set forth in the <a href="#">CDA Rental Housing Programs Loan Term Summary</a> on the DHCD website. Sponsors must select a repayment option at application.”	Language updated	Updated to reflect that loan repayment options have been moved to the new Multifamily Loan Repayment Schedule on the DHCD website.
3.7.1 General Terms	“...Maximum Awards: Generally, the maximum RHFP may not exceed \$2 million, except as permitted in COMAR. RHW generally may not exceed \$3.5 million, unless projects are utilizing the density bonus established under the Housing Expansion and Affordability Act of 2024...”	“...Maximum Awards: Generally, the maximum per project loans for RHFP may not exceed \$2 million, except as permitted in COMAR. Projects can request \$2.5 million in RHW for up to fifty (50) units. An additional \$50K can be requested for each additional unit over fifty (50), to the maximum of \$3.5 million, unless projects are utilizing the density bonus established under the Housing Expansion and Affordability Act of 2024 or leverage critical and time-sensitive funding from the federal or local government, as determined by the Director of CDA. DHCD will announce the maximum award limits for each competitive funding round through Multifamily Notice and post on DHCDs website when the application deadline is announced. Maximum award limits apply to all DHCD-administered gap financing ...”	Language updated.	Updated to clarify limits to DHCD-administered gap financing.

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3.7.2 Standard Surplus Cash Repayment Terms	“The terms set forth below reflect DHCD’s traditional surplus cash repayment terms. This option is most commonly used for RHFP and RHW loans in conjunction with LIHTC. A form of the Note used in connection with this form of loan is available in the <a href="#">Multifamily Library</a> on the DHCD website...”	N/A	Language removed.	Language moved to the new Multifamily Loan Repayment Schedule on the DHCD website.
3.7.3 Contingent Interest Surplus Cash Repayment Terms	“Below are alternative repayment terms that DHCD has approved where DHCD agrees to limit the amount of interest that would otherwise accrue on a traditional surplus cash loan. A form of the Note used in connection with this form of loan is available in the <a href="#">Multifamily Library</a> on the DHCD website...”	N/A	Language removed.	Language moved to the new Multifamily Loan Repayment Schedule on the DHCD website.
3.7.4 Amortizing Loans	“In some cases, a project’s anticipated cash flow and debt service are such that it is reasonable to expect the borrower to make regular monthly payments of principal and interest on the RHFP or RHW loan. The general requirements set forth in <a href="#">Section 3.7.1</a> would also be applicable to such loans...”	N/A	Language removed.	Language moved to the new Multifamily Loan Repayment Schedule on the DHCD website.
3.8 LIHTC Award Limits	“The maximum amount of a competitive LIHTC reservation or allocation competing in the general pool will be limited to no more than \$30,000 per income restricted up to \$1.5 million to any single project...”	“The maximum amount of a competitive LIHTC reservation or allocation competing in the general pool will be limited to no more than \$30,000 per LIHTC income restricted unit up to \$1.5 million or \$25,000 per LIHTC income restricted unit up to \$2 million to any single project...”	Language updated.	Updated language to clarify LIHTC limits.

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3.9.3 Operating Expenses	“Annual operating expenses, including all real estate taxes but excluding replacement reserve deposits, should be no less than \$4,000 per unit per year and no more than \$8,000 per unit per year...”	“Annual operating expenses, including all real estate taxes but excluding replacement reserve deposits, should be no less than \$4,000 per unit per year and no more than \$9,000 per unit per year...”	Language updated.	Updated operating expense limits.
3.9.7 Debt Service Coverage Ratio	“All projects must be underwritten to a minimum debt service coverage ratio (DSCR) of 1.15 in the first year of stabilized operations and at least 1.00 through year 15. The DSCR will be calculated including all must-pay debt service payments. For projects with amortizing debt service on an RHFP or RHW loan, the minimum DCSR is 1.1.”	“All projects must be underwritten to a minimum debt service coverage ratio (DSCR) of 1.15 in the first year of stabilized operations and at least 1.1 through year 15. The DSCR will be calculated including all must-pay debt service payments.”	Language updated.	Updated debt service coverage ratio.
3.9.8.3 Professional Fees	“...For projects with competitive RHFP funds and LIHTC, the Developer’s Fee may not exceed \$2.5 million...”	“...For projects with competitive RHFP funds and LIHTC, the Developer’s Fee may not exceed \$2.5 million. Developers may request a waiver to earn up to \$3 million for projects of eighty (80) units or more...”	Language updated.	Updated to allow for waiver of Developer Fee limit.
3.10 Readiness to Proceed and Financial Feasibility	“...If a project envisions utilizing other than current calendar year LIHTC and/or current fiscal year RHFP or RHW, the application must provide with sufficient explanation and supporting information for the alternate development schedule...”	“...If a project envisions utilizing other than current calendar year LIHTC and/or current fiscal year RHFP or RHW, the application must have an approved waiver with sufficient explanation and supporting information for the alternate development schedule...”	Language updated.	Updated to clarify waiver requirements for this section.

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3.13.1 Criteria Applicable to All Projects	“...2. Accessibility – All projects, regardless of the source of funding, must comply with UFAS and any other applicable laws or requirements, including without limitation Section 504 of the Rehabilitation Act of 1973 (Section 504), the regulations implementing Section 504 at 24 CFR Part 8, the Americans with Disabilities Act (ADA), and the 2010 ADA Standards (as modified by HUD). Provide a certification that the project, if funded, will employ a building accessibility consultant to work with the Development Team to ensure accessibility compliance as listed above....”	“...2. Accessibility – All projects, regardless of the source of funding, must comply with UFAS and any other applicable laws or requirements, including without limitation Section 504 of the Rehabilitation Act of 1973 (Section 504), the regulations implementing Section 504 at 24 CFR Part 8, the Americans with Disabilities Act (ADA), and the 2010 ADA Standards (as modified by HUD). Provide a certification that the project, if funded, will employ a third party building accessibility consultant to work with the Development Team to ensure accessibility compliance as listed above....”	Language updated.	Updated language to require a third-party building accessibility consultant.
3.13.1 Criteria Applicable to All Projects	“...7. Laundry - Laundry facilities must be adequate for the project and located for safe, convenient access. There must be a minimum of one (1) washer and dryer for every fourteen (14) units in family projects and one (1) washer and dryer for every twenty-five (25) units in elderly projects...”	“...7. Laundry - Laundry facilities must be adequate for the project and located for safe, convenient access. There must be a minimum of one (1) washer and dryer for every fourteen (14) units in family projects and one (1) washer and dryer for every twenty-five (25) units in elderly projects. All elderly buildings must have a minimum 25% of the total designated laundry appliances dedicated to ADA accommodations or provide side by side front load appliances where hook-ups are provided...”	Language added.	Added requirements for elderly buildings.
3.13.1 Criteria Applicable to All Projects	“...16. Carpets – Any carpet products must meet the Carpet and Rug Institute’s Green Label Plus Certification...”	“...16. Carpets – Any carpet products must have the Carpet and Rug Institute’s Green Label Plus Certification...”	Language updated.	Clarified requirements.

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3.13.1 Criteria Applicable to All Projects	“18. Mold, Moisture, and Mildew – Correct all observed areas of mold, mildew, and moisture infiltration within the building...”	“18. Mold, Moisture, and Mildew – For all projects, correct all observed areas of mold, mildew, and moisture infiltration within the building...”	Language updated.	Clarified requirements
3.13.1 Criteria Applicable to All Projects	“...23. Site Location – New Construction projects are not to be located in FEMA Flood Zone Areas. Projects located in zones C or X may submit a waiver request, which must be accompanied by a flood mitigation plan...”	1. “...23. Location – New Construction projects are not to be located in FEMA Flood Zone Areas. Any project located in Zone C may submit a waiver request, which must be accompanied by documentation provided by the project’s engineer outlining the project’s risk of flooding. Any project located in Zone X may submit a waiver request, which must be accompanied by a flood mitigation plan or documentation provided by the project’s engineer outlining the project’s risk of flooding. For projects within a 100-year floodplain, a flood mitigation plan must be provided. For projects outside of the 100-year floodplain but within the 500-year floodplain, either a flood mitigation plan or documentation provided by the project’s engineer outlining the project’s risk of flooding must be included.”	Language updated.	Clarified waiver requirements for this section.



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3.13.1 Criteria Applicable to All Projects	“...25. HVAC...Packaged, thru the wall HVAC units, if proposed, must have duct work serving all major rooms, and the overall system design must include an adequate air return path...”	“...HVAC...Packaged, thru the wall HVAC units, if proposed, must include replacing the housing, must have duct work serving all major rooms, and the overall system design must include an adequate air return path...”	Language updated.	Clarified requirements for packaged, thru the wall HVAC units.
3.13.1 Criteria Applicable to All Projects	“...27. Lighting – Install only Energy Star certified LED lighting fixtures or LEF lamps when lighting is replaced or installed. For any commercial lighting, select and install fixtures and lamps approved by the Design Lights Consortium (DLC)...”	“...27. Lighting – Install only High Efficiency (minimum of 100 lumens/watt and 85 CRI) LED lighting fixtures or LED lamps when lighting is replaced or installed. For any exterior or commercial lighting, select and install fixtures and lamps approved by the <a href="#">Design Lights Consortium (DLC) or that have a UL rating.</a> ”	Language updated.	Clarified lighting requirements.
3.13.1 Criteria Applicable to All Projects	“...28. Windows – Except for high-rise projects, install Energy Star qualified windows in accordance with current Energy Star Standards as appropriate to project location when windows are replaced or installed...”	“...28. Fenestration – When replacing or installing new openings on a three (3)-story or shorter project, openings must meet the requirements of the current Energy Star Residential Windows, Doors, and Skylights specifications. When replacing or installing new openings on a four (4)-story or more project, openings must meet the requirements of the current Energy Star Multifamily New Construction National Program requirements. Note: Fenestration is defined as the arrangement of windows and doors on the elevations of a building...”	Language updated.	Clarified requirements for new openings.

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3.13.1 Criteria Applicable to All Projects	“...29. Cabinetry - Cabinetry is required to be plywood box construction, the doors are solid wood, and the finishes and hardware are durable.”	“...28. Cabinetry - Cabinetry is required to be plywood box construction, the doors are solid wood, and the finishes and hardware are durable and include door/drawer pulls.”	Language updated.	Clarified requirements for cabinetry.
3.13.2 Additional Criteria Applicable Only to New Construction, Gut Rehabilitation, and Adaptive Re-use	“4. Except for gut rehabilitation projects, paving at the dumpster pad, the access drive to the dumpster, and any turns or return path of the garbage truck route must equal local requirements for standard duty residential roadway or provide specifications which indicate a stone base of eight (8) inches or greater with the combination thickness of the asphalt base and top coat being at least five (5) inches...6. Gut rehabilitation and adaptive re-use projects must submit a building evaluation report performed by an engineer or other qualified professional that, at a minimum, analyzes the foundation and structure of the project...”	“4. Except for gut rehabilitation projects, paving at the dumpster pad, the access drive to the dumpster, and any turns or return path of the garbage truck route must equal local requirements for standard duty residential roadway or provide specifications which indicate a stone base of eight (8) inches or greater with the combination thickness of the asphalt base and top coat being at least five (5) inches. The dumpster pad must be steel reinforced concrete of at least six (6) inches thickness...6. Gut rehabilitation and adaptive re-use projects must submit a building evaluation report performed by a third party engineer or other qualified professional that is not part of the primary development team and, at a minimum, analyzes the foundation and structure of the project...”	Language updated.	Updated requirements for dumpster pads and building evaluation reports.

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3.14 Additional Criteria Applicable to Only to the Competitive Funding Round	N/A	<p>“All competitive applications must achieve at least two (2) points within <a href="#">Section 4.7 Housing Starts Now</a>.</p> <p>CDA may allow waivers of this requirement for future competitive rounds as part of pre-round communication.”</p>	Language added	Added requirements for competitive applications.
4. Competitive Scoring Criteria	“Multifamily Bond Program and Rental Housing Works Terms and Conditions...At least two (2) points within the Nonprofits (NPs), Public Housing Authorities (PHA)s and Minority/Disadvantaged Business Enterprises (MBE/DBE) category outlined in Section 4.1.4...Projects seeking FHA Risk Sharing Insurance for MBP financing must meet all Threshold Criteria...”	“Multifamily Bond Program and Rental Housing Works Terms and Conditions...Projects seeking FHA Risk Sharing Insurance for MBP financing must meet all Threshold Criteria and over the last five (5) years have completed projects with at least 51% ownership in the project...”	Language updated.	Removed requirements for points under Section 4.1.4 and clarified requirements for FHA Risk Sharing.
4.1.1 Development Team Experience	“...Primary Development Team members without appropriate experience should establish partnerships with experienced entities...Developer 14-18 points, General Contractor 6-9 points, Architect 5-6 points, Property Manager 6-9 points...”	“...Primary Development Team members without a minimum of five (5) years experience must establish partnerships with experienced entities...Developer 18 points, General Contractor 9 points, Architect 6 points, Property Manager 9 points...”	Language updated.	Clarified requirements for primary development team members with less than five (5) years experience and removed point range for Development Team Capacity.

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4.1.4 Nonprofits, Public Housing Authorities, and Minority/Disadvantaged Business Enterprises	<p>“... DHCD also wants to encourage MBE/DBE participation and perspectives in the planning, development, management, ownership and ongoing oversight of affordable housing. Therefore, DHCD will award points to project proposals with material and meaningful participation by NPs, PHAs, and/or MBE/DBEs. This participation is expected to reflect the actual capabilities of the entity. Further, DHCD is interested in helping to support and sustain the capacity of a range of NPs, PHAs, and MBEs/DBEs by providing opportunities for them to partner with experienced professionals to learn and strengthen their housing development, management, and ownership capabilities...To Qualify for participation as an MBE/DBE...”</p>	<p>“... DHCD also wants to encourage Local Small Business participation and perspectives in the planning, development, management, ownership and ongoing oversight of affordable housing. Therefore, DHCD will award points to project proposals with material and meaningful participation by NPs, PHAs, and/or Local Small Businesses. This participation is expected to reflect the actual capabilities of the entity. Further, DHCD is interested in helping to support and sustain the capacity of a range of NPs, PHAs, and Local Small Businesses by providing opportunities for them to partner with experienced professionals to learn and strengthen their housing development, management, and ownership capabilities...To Qualify for participation as a Local Small Business, the applicable entity must be headquartered in Maryland with fewer than 500 employees, that fits the Small Business Administration’s definition of a small business, and has a community focus (locally-owned, invested, controlled, serving a specific area) with measurable economic impacts that enhances stability while creating jobs and opportunities for community residents....”</p>	Language updated.	Updated scoring criteria for Local Small Businesses.

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4.1.4 Nonprofits, Public Housing Authorities, and Minority/Disadvantaged Business Enterprises	<p>“...<b>Category 1 (maximum of eight points)</b>: Eight (8) points will be awarded when the NP, PHA, or MBE/DBE has a controlling ownership interest (51% or greater) in the project...<b>Category 2 (maximum of six points)</b>: Up to six (6) points will be awarded to a PHA, MBE/DBE, or a Community-Based NP if the entity has less than 50% but more than 10% interest in the general partner or managing member of the project owner...<b>Category 3 (maximum of eight points)</b>: Up to four (4) points may be awarded to a project for each NP, PHA, or MBE/DBE... <b>Category 4 (maximum of eight points)</b>: 1. One (1) point for each NP, PHA, or MBE/DBE entity that is a member of the Secondary Development Team...2, Two (2) points for each NP, PHA, or MBE/DBE...”</p>	<ul style="list-style-type: none"> <li>• “...<b>Category 1 (maximum of eight points)</b>: Eight (8) points will be awarded when the NP or PHA has a controlling ownership interest (51% or greater) in the project...<b>Category 2 (maximum of six points)</b>: Up to six (6) points will be awarded to a PHA, Local Small Business, or a Community-Based NP if the entity has less than 50% but more than 10% interest in the general partner or managing member of the project owner... <b>Category 3 (maximum of eight points)</b>: Up to four (4) points may be awarded to a project for each NP, PHA, or Local Small Business... <b>Category 4 (maximum of eight points)</b>: 1. One (1) point for each NP, PHA, or Local Small Business entity that is a member of the Secondary Development Team...2, Two (2) points for each NP, PHA, or Local Small Business...”</li> </ul>	Language updated.	Updated scoring criteria for Local Small Businesses.
4.4.5 Mixed Income Housing	<p>“DHCD will award up to 2 points in this category based on the number of Market Rate units as a percentage of the number of affordable units...The points will be calculated based on the following formula: (# of Market Rate Units ÷ # of Affordable Units) x 2 points = Points Awarded...”</p>	<p>“DHCD will award up to 10 points in this category based on the number of Market Rate units as a percentage of the number of affordable units...The points will be calculated based on the following formula: (# of Market Rate Units ÷ # of Affordable Units) x 10 points = Points Awarded...”</p>	Language updated.	Updated to increase incentives for mixed-income housing.

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4.4.5 Policy Incentives	“...6. One (1) point will be awarded to the top two (2) projects with a Category 1 MBE/DBE entity, as detailed in Section 4.1.4, competing in the Infill and Redevelopment Pool...Projects applying under the Infill and Redevelopment Pool are only eligible for points under category 6 in this section.”	N/A	Language removed.	Removed incentive points for Infill and Redevelopment Pool.
4.6.2 Energy Efficiency	“...Six (6) points will be awarded in this category for projects that certify at the time of application to achieve Department of Energy (DOE) Zero Energy Ready Home (ZERH) or comparable DHCD-approved energy savings certification or rating designation ...”	“...Six (6) points will be awarded in this category for projects that certify at the time of application to achieve Department of Energy (DOE) Efficient New Homes or comparable DHCD-approved energy savings certification or rating designation ...”	Language updated.	Updated to reflect new DOE program name.
4.6.3 Project Durability and Enhancements	“...in multiple bedroom units the smallest bedroom shall be not less than 9 feet-0 inches in one direction with a minimum of ninety (90) net square feet in area...”	“...in multiple bedroom units the smallest bedroom walls shall be not less than 9 feet-0 inches with a minimum of ninety (90) net square feet in area...”	Language updated.	Updated to clarify requirements for smallest bedroom.
4.6.4 Lovable Places	<p>“...DHCD will award 2 points for projects that promote walkability, community connections, and community design as described above and include at least three (3) of the following that are available to all residents:</p> <ol style="list-style-type: none"> <li>1. A spacious, welcoming lobby with adequate lighting with aesthetic fixtures, adequate lounge seating for residents and guests, a service, security, or concierge desk, a luggage trolley for residents to access and use as</li> </ol>	<p>“DHCD will award 2 points for projects that promote walkability, community connections, and community design as described above and meet the requirements of either category A. DHCD will award four (4) points for projects that meet one (1) of the requirements of category B, as shown below.</p> <p>A. Project includes at least three (3) of the following community spaces that are available to all residents for year-round usage:</p>	Language updated.	Updated lovable places language to clarify requirements.

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	<p>needed, and a designated mail and package room.</p> <p>2. A fitness center accessible to all residents for year-round usage with a water refill station and enough space and equipment for 10% of residents to use at a time.</p> <p>3. An outdoor social area such as a rooftop terrace, courtyard, gazebo, picnic area, pergola, veranda, or comparable space for year-round usage with enough seating for 25% of residents at a time and dining areas including tables, chairs, and umbrellas or other shade elements.</p> <p>4. A community garden with enough space for 25% of residents to have plots. Plots must contain soil and be ready for resident use, either as raised garden beds or areas with soil, free of trees, pavement, and debris, get adequate sunlight, and have access to water with a hose and a water meter.</p> <p>5. A designated telework space for year-round usage that includes internet access, enough tables and desks to seat 20% of residents, ample electrical outlets near or on tables and desks, and at least two private meeting rooms for teleworking residents to take meetings and calls....”</p>	<p>1. A spacious, welcoming lobby with the following features in one centralized location:</p> <ul style="list-style-type: none"> <li>a. A minimum of 600 square feet;</li> <li>b. adequate lighting with aesthetic fixtures;</li> <li>c. adequate lounge seating for at least 10% of residents and guests, with no fewer than six seats;</li> <li>d. a service, security, or concierge desk located visibly near the main entrance;</li> <li>e. a luggage trolley for residents to access and use as needed; and</li> <li>f. a designated mail and package room.</li> </ul> <p>2. A fitness center with the following features:</p> <ul style="list-style-type: none"> <li>a. A minimum square footage based on 10% of residents at 50 square feet per resident, and no less than 600 square feet;</li> <li>b. with a water refill station; and</li> <li>c. equipment for at least 10% of residents to use at a time.</li> </ul> <p>3. An outdoor social area such as a rooftop terrace, courtyard, gazebo, picnic area, pergola, veranda, or comparable space with the following features:</p> <ul style="list-style-type: none"> <li>a. enough seating for 25% of residents at a time; and</li> <li>b. dining areas including tables, chairs, umbrellas or other shade elements.</li> </ul>		

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		<p>4. A community garden with the following features:</p> <ul style="list-style-type: none"><li>a. enough space for 25% of residents to have plots</li><li>b. Plots must contain soil and be ready for resident use, either as raised garden beds or areas with soil, free of trees, pavement, and debris, and get adequate sunlight; and</li><li>c. have access to water with a hose bib.</li></ul> <p>5. A designated telework space with the following features:</p> <ul style="list-style-type: none"><li>a. internet access;</li><li>b. enough tables and desks to seat 20% of residents;</li><li>c. ample electrical outlets near or on tables and desks; and</li><li>d. at least two private meeting rooms for teleworking residents to take meetings and calls.</li></ul> <p>B. Project includes a LIHTC-eligible community support facility under §42(d)(5)(C)that supports either:</p> <ul style="list-style-type: none"><li>a. Child care services regulated by the Maryland State Department of Education (MSDE), Division of Early Childhood, Office of Child Care (OCC);</li><li>b. The development of a public library; or</li></ul>		



Existing Section	Existing Language	Proposed Language	Action	Rationale
		c. The development, stabilization, and expansion of retail space that provides fresh food in areas where residents have limited or no access to nutritious food options...”		
4.7 Housing Starts Now	N/A	<p>“In response to the severe housing shortage in Maryland, DHCD is incentivizing project readiness to boost the housing supply and ensure quicker access to high-quality safe, sustainable, and affordable housing for Maryland residents.</p> <ul style="list-style-type: none"><li>• Ten (10) points for new construction “fully entitled” projects of 120 units or more (including twinned projects) with milestones and projected closing dates within one (1) year of the award date. The schedule must reflect the project's readiness to use the current calendar-year LIHTC and the current fiscal-year RHFP or RHW. Awarded applicants who don't meet the designated timelines without an approved extension from DHCD will have funds rescinded.</li><li>• Eight (8) points for new construction “Preliminary Site Plan Approved” projects of 120 units or more with milestones and projected closing dates within one (1) year of the award date. The schedule must reflect the project's readiness to use the current calendar-year LIHTC and the current fiscal-year RHFP or RHW. Awarded applicants who</li></ul>	Language added.	Language added to encourage readiness to proceed.

Existing Section	Existing Language	Proposed Language	Action	Rationale
		<p>don't meet the designated timelines without an approved extension from DHCD will have funds rescinded.</p> <ul style="list-style-type: none"><li>• Six (6) points for new construction “Preliminary Site Plan Approved” projects under 75 units, with milestones and projected closing dates within one (1) year of the award date. The schedule must reflect the project’s readiness to use the current calendar-year LIHTC and the current fiscal-year RHFP or RHW. Awarded applicants who don't meet the designated timelines without an approved extension from DHCD will have funds rescinded.</li><li>• Four (4) points for “fully entitled” Acquisition/Rehabilitation projects of 120 units or more (including twinned projects) without current LIHTC restrictions. Additionally, the project(s) must include milestones and projected closing dates within one (1) year of the award date. The schedule must reflect the project’s readiness to use the current calendar-year LIHTC and the current fiscal-year RHFP or RHW. Awarded applicants who don't meet the designated timelines without an approved extension from DHCD will have funds rescinded.</li></ul>		

Existing Section	Existing Language	Proposed Language	Action	Rationale
		<ul style="list-style-type: none"> <li>Two (2) points for "Fully Zoned and Preliminary Site Plan Approved" Acquisition/Rehabilitation projects of 75 units or more, without current LIHTC restrictions. Additionally, the project(s) must include milestones and projected closing dates within one (1) year of the award date. The schedule must reflect the project's readiness to use the current calendar-year LIHTC and the current fiscal-year RHFP or RHW. Awarded applicants who don't meet the designated timelines without an approved extension from DHCD will have funds rescinded.</li> </ul>		
6.1.3 Kick-off Meeting	<p>“Following the issuance of reservation letters, DHCD schedules “kick-off” meetings with sponsors...the purposed of the meetings is to review reservation letters...At this time, the assigned team members may elect to schedule subsequent meetings with sponsors to conduct detailed site visits.”</p>	<p>“Within fifteen (15) calendar days of the issuance of reservation letters or completion of the threshold review for non-competitive projects, DHCD schedules “kick-off” meetings with sponsors... The purpose of these meetings is to introduce the project managers and other subject matter experts, review the overall communication plan, and discuss potential risks and challenges associated with the project. Competitive projects will also review reservation letters to gain a common understanding of their requirements, terms, and provisions for further processing of applications. At the kick-off meetings, assigned team members review the requirements and timeframes of the loan processing schedule and submission kit processing</p>	Language updated.	Updated to reflect new timelines.

Existing Section	Existing Language	Proposed Language	Action	Rationale
		in detail. Sponsors must be prepared to close within twelve (12) months of the kick-off meeting. Projects that will utilize funding beyond the current calendar year based on their status will be withdrawn, unless they have an approved waiver with sufficient explanation and supporting information for the alternate development schedule...”		
6.1.4 Underwriting and Construction Review	“After reservation letters are issued, loan applications are underwritten and detailed construction plans and documents are reviewed before the issuance of commitment letters. The review process is generally divided into two phases: viability and commitment reviews. In its discretion, DHCD may permit the submission of a combined viability and commitment package (fast track)...”	“After reservation letters are issued, loan applications are underwritten and detailed construction plans and documents are reviewed before the issuance of commitment letters...”	Language removed.	Removed reference to two phase submissions.
6.1.5 Viability Review	“During this phase of the review process, sponsors submit updated application forms along with more detailed construction and underwriting documentation, all as specified in the viability submission kit supplied at kick-off meetings. DHCD staff reviews the material and issues viability reports to sponsors. Viability reports include DHCD’s underwriting pro-forma and a term sheet showing any changes in anticipated loan terms and conditions based on findings made during the viability review.”	N/A	Language removed	Removed reference to viability review to reflect new streamlined submission process.

Existing Section	Existing Language	Proposed Language	Action	Rationale
6.1.5 Viability/ Commitment (V/C) Review	At this stage of review, sponsors submit final application forms and complete construction and underwriting documentation. After DHCD staff has reviewed the materials, a commitment report, including a final underwriting pro-forma and updated term sheet are prepared. The commitment report is sent to sponsors through the project WorkCenter in Procorem and the term sheet is sent to DHCD's attorney. Based on the findings in the commitment report, a draft commitment letter is prepared and sent to the sponsor. DHCD's goal is to complete any adjustments to the draft commitment letter within fifteen (15) calendar days of issuing the commitment report and to issue the commitment letter not later than seventy (70) calendar days after the sponsor submits the commitment review package. Once all adjustments are made, DHCD's attorney finalizes the commitment letter and begins preparing loan documents."	<p>"After the kick- off meeting, Sponsors will have no more than one hundred and twenty (120) days to submit the combined viability/commitment package. DHCD staff will review the materials and prepare a V/C report, including a final underwriting pro-forma and updated term sheet, within seventy (70) days of receiving the complete V/C submission. The V/C report is sent to sponsors through the project WorkCenter in Procorem and the term sheet is sent to DHCD's attorney. If the V/C report identifies issues or missing information, the sponsor must provide all missing information within thirty (30) days or the application will be officially withdrawn through communication in Procorem.</p> <p>Applications that meet all V/C criteria will be notified if they are approved to go to HFRC within fifteen (15) days, based on the timing for the next finance committee meeting and funding availability. When funding is not available, applicants will be given a timeline within thirty (30) days on when funding will be available, which starts at the beginning of the fiscal year. Projects needing gap financing disbursed on the initial draw may be delayed between mid-July and August. After HFRC approval, DHCD's attorney finalizes the commitment letter and begins preparing loan documents..."</p>	Language updated.	Language updated to reflect DHCD's new streamlined submission process and timelines.