

The Department’s Proposed Changes to the Qualified Allocation Plan

Existing Section	Existing Language	Proposed Language	Action	Rationale
D.5 Tax Credit Rates	<p>“Competitively Allocated Tax Credits... The Binding Agreement and Election Statement must be submitted if the sponsor wishes to elect (or “lock in”) the applicable percentage for the 4% acquisition credit rate for existing buildings...Non-Competitive Tax-Exempt Bond Financed Projects...The “Low-Income Housing Credit - Election under §42(b)(2)(A)(ii)(II) to use as the Applicable Percentage the Appropriate Percentage for the Month in which Tax-Exempt Obligations are Issued” (i.e., The LIHTC Election under §42) is used to lock-in the credit rate for non-competitive tax-exempt bond financed projects...As with CDA bonds, the applicable LIHTC rate elected is limited to the month in which the bonds are sold...)</p>	<p>“Competitively Allocated Tax Credits... It is not necessary to file a Binding Agreement and Election Statement for the 4% rate for the acquisition of existing buildings if the project is placed in service after December 31, 2020 and received an allocation of LIHTC after December 31, 2020.</p> <p>For projects that were placed in service and received an allocation of LIHTC on, or prior to, December 31, 2020, the Binding Agreement and Election Statement must be submitted to elect (or “lock in”) the applicable percentage for the 4% acquisition credit rate for existing buildings. ...Non-Competitive Tax-Exempt Bond Financed Projects.</p> <p>It is not necessary to file a Binding Agreement and Election Statement for the Month in which Tax-Exempt Obligations are Issued for the 4% rate for new federally subsidized buildings and for existing buildings which have a portion of the building is financed with an obligation described in Section 42(h)(4)(A) that is issued after December 31, 2020 and the project is placed in service after December 31, 2020.</p> <p>The 4% rate in Section 42(b)(3) does not apply to:</p>	Language changed.	Added language to address the 4% minimum credit rate placed in effect with the Consolidated Appropriations Act of 2021.

		<ul style="list-style-type: none"> • A building that is financed in part with a draw-down exempt facility bond issue that was issued in 2020 and on which one or more draws were taken after December 31, 2020; • A building that is financed in part with proceeds of an exempt facility bond issue that was issued in 2020 and in part with proceeds of a different exempt facility bond issue that is less than 10% of the aggregated exempt facility bond issued/to be issued after December 31, 2020; or • A building that receives an allocation of LIHTC in 2020 and additional LIHTC allocation that is less than 10% of the aggregate allocations after December 31, 2020. <p>For projects which have a portion of the building financed with an obligation described in Section 42(h)(4)(A) on, or prior to, December 31, 2020, the LIHTC Election under Section 42 is used to lock-in the credit rate for non-competitive tax-exempt bond financed projects...As with CDA bonds, the applicable LIHTC rate elected is either limited to the month in which the bonds are sold or to the 4% credit rate as described above..."</p>		
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N/A	N/A	<p>“F.2 Infill and Redevelopment Pool</p> <p>In addition to the required Non-Profit Set-Aside, CDA will reserve up to \$1.5 million of competitively allocated LIHTC in each Competitive Funding Round to fund smaller projects and projects submitted by developers with relevant experience, but whose companies have been in operation for less than five (5) years.</p> <p>To be eligible for an allocation of LIHTC from the Infill and Redevelopment Pool, the project must comply with the following minimum criteria.</p> <ol style="list-style-type: none"> 1. The maximum amount of a competitive LIHTC reservation or allocation under this pool will be limited to no more than \$300,000 to any single project; 2. The maximum amount of Rental Housing Program Funds (RHPF) will be limited to no more than \$50,000 per unit up to \$1 million to any single project; 3. All projects must include a minimum of 12 units; 4. Sponsors submitting under this pool are limited to one (1) application in the Competitive Funding Round. If the sponsor is a co-developer on another project in the same Competitive Funding Round, they may have no more than 10% interest in the general partner or managing member of the project owner. 	Language added.	Creates structure for funding smaller projects.
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N/A	N/A	<p>“F.3 Other Set-Asides and Pools</p> <p>Other than the required Non-Profit Set-Aside, set-aside and pool amounts shall have an expiration date established by CDA, at which time uncommitted LIHTC will revert to the general pool of LIHTC available to all qualified projects.”</p>	Language added.	Language added to establish procedures for uncommitted LIHTC for pools and set-asides.

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

Existing Section	Existing Language	Proposed Language	Action	Rationale
<p>Overview and Policy Statement: The State Context</p>	<p>“With this 2021 update of the Maryland Qualified Allocation Plan for the Allocation of Federal Low Income Housing Tax Credits (QAP) and Multifamily Rental Financing Program Guide (Guide), the Maryland Department of Housing and Community Development (DHCD) has established the following set of priorities to guide the award of competitive and non-competitive funding:</p> <ol style="list-style-type: none"> 1. Family Housing in Communities of Opportunity 2. Housing in Community Revitalization and Investment Areas 3. Integrated Permanent Supportive Housing Opportunities 4. Preservation of Existing Affordable Housing 5. Elderly Housing 6. Permanent Supportive Housing for Veterans and Persons Experiencing Homelessness 	<p>“With this 2023 update of the Maryland Qualified Allocation Plan for the Allocation of Federal Low Income Housing Tax Credits (QAP) and Multifamily Rental Financing Program Guide (Guide), the Maryland Department of Housing and Community Development (DHCD) has established the following set of priorities to guide the award of competitive and non-competitive funding:</p> <ol style="list-style-type: none"> 1. Family Housing in Communities of Opportunity 2. Housing in Community Revitalization and Investment Areas 3. Integrated Permanent Supportive Housing Opportunities for Persons Experiencing Homelessness or Housing Instability, including Veterans 4. Preservation of Existing Affordable Housing 5. Elderly Housing <p>DHCD is focused on providing shelter for all, expanding affordable housing, righting the wrongs of the past, making lovable places, and connecting all Marylanders. To do so most effectively, the</p>	<p>Language changed.</p>	<p>Changed to reflect updated Departmental priorities.</p>

	<p>7. Housing for Low-Income Agricultural, Fishery, Livestock, and Poultry Workers</p> <p>DHCD remains focused on expanding and preserving housing opportunities in thriving communities to serve lower income households and targeted populations in a way that builds economic opportunity equitably. To do so most effectively, the Department is focused on vulnerable populations whose exclusion from quality housing opportunities imposes severe economic, social, and personal costs.</p> <p>The QAP and Guide were crafted after the consideration of the State Housing Need Assessment published in December of 2020 and public comments received from a wide range of housing partners, stakeholders, consultants, housing advocates, and others during the review process...”</p>	<p>Department is focused on vulnerable populations whose exclusion from quality housing opportunities imposes severe economic, social, and personal costs.</p> <p>The QAP and Guide were crafted after the consideration of the State Housing Need Assessment and public comments received from a wide range of housing partners, stakeholders, consultants, housing advocates, and others during the review process...”</p>		
2.1.2 Optional Pre-Application Meetings	<p>“Applicants may request a pre-application meeting to receive preliminary feedback regarding project specifics as well as a meeting to discuss their proposed projects with DHCD staff.”</p>	<p>“Applicants may request a pre-application meeting to receive preliminary feedback regarding project specifics as well as a meeting to discuss their proposed projects with DHCD staff. Pre-application meetings can be requested using the following link:</p> <p>https://dhcd.maryland.gov/HousingDevelopment/Pages/MF/MeetingRequest.aspx”</p>	Language added.	DHCD added the link to request pre-application meetings to streamline the meeting request process.

2.1.3 Waiver Requests	<p>“Chapter 5 provides information on the submission of waiver requests, including appropriate justifications. Certain waivers must be submitted in advance of the application deadline.”</p>	<p>“Chapter 5 provides information on the submission of waiver requests, including appropriate justifications. Certain waivers must be submitted in advance of the application deadline. All waiver requests must be submitted using the following link:</p> <p>https://dhcd.maryland.gov/HousingDevelopment/Pages/MF/WaiverRequest.aspx”</p>	Language added.	DHCD added the link to submit waiver requests to streamline the process.
2.4.1 Application Form	<p>“Applicants must submit two complete copies of the application form including all attachments and exhibits. Application forms shall not be re-typed, changed, or modified in any manner. DHCD reserves the right to require electronic submission of applications...”</p>	<p>“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 submission of MBP/4% LIHTC applications. Application forms shall not be re-typed, changed, or modified in any manner.”</p>	Language changed.	While a hard copy application is still required for 9% LIHTC, DHCD is updating its requirements to electronic applications only for MBP/4% LIHTC.
2.4.2 Fees	<p>“Unless advised otherwise by official DHCD notices, all fees must be made payable to the Community Development Administration or CDA and remitted directly to the attention of:</p> <p style="text-align: center;">DHCD Central Cashier Post Office Box 2521 Landover Hills, MD 20784”</p>	<p>“Unless advised otherwise by official DHCD notices, all fees must be made payable to the Community Development Administration or CDA and remitted directly to the attention of:</p> <p style="text-align: center;">Community Development Administration Maryland Department of Housing and Community Development Post Office Box 2524 Landover Hills, MD 20784”</p>	Language updated.	Updated with the correct mailing address.

3.1 Development Team Requirements	“All corporations, limited liability companies, or limited partnerships that make up the Developer, Project Owner, or that will provide guarantees to the transaction must submit audited, reviewed, or compiled financial statements, as well as interim statements acceptable to DHCD...”	“...All corporations, limited liability companies, or limited partnerships that make up the Developer, Project Owner, or that will provide guarantees to the transaction must submit audited, reviewed, or compiled financial statements, as well as interim statements acceptable to DHCD. Project guarantors must provide audited or reviewed financial statements. Developers/sponsors with twenty-five (25) percent or greater ownership must provide audited or reviewed financial statements...”	Language added.	Updated requirements for financial statements for guarantors and sponsors with greater than 25% ownership.
3.2.2 Definition of Elderly Housing	“... FHA Insurance Threshold Requirement For projects financed under FHA Insurance programs including FHA Risk Sharing, DHCD will follow the requirements 24 CFR 266.200(g) – <u>Under this definition, projects making use of FHA Risk Sharing must allow household members under the age of sixty-two (62)...</u> ”	“... FHA Insurance Threshold Requirement For projects financed under FHA Insurance programs such as FHA Risk Sharing, DHCD will follow the requirements of those programs. For FHA Risk Sharing, DHCD will follow 24 CFR 266.200(g) – <u>Under this definition, projects making use of FHA Risk Sharing must allow household members under the age of sixty-two (62), including children under eighteen (18)...</u> ”	Language added.	Definition updated.
3.4 Tenant Services	N/A	“All projects, including those with CORES or comparable DHCD-approved certifications, must create a tenant services plan prior to initial closing that identifies the appropriate services, as listed above. The tenant services plan must be reviewed after the initial lease up and updated every three (3) years throughout the compliance period or loan term to remain relevant to the tenant population of the project.”	Language added.	Added requirement for all projects to create and update tenant services plans throughout the compliance period/loan term.

3.6 Other Financing Commitments	N/A	<p>“...Each applicant must present a clear plan for the Project at the end of the initial 15-year Compliance Period. The plan must include support and rationale for the following:</p> <ul style="list-style-type: none"> • The exit strategy for the limited partner or investor member, as applicable, and the anticipated ownership changes; • Any anticipated refinancing, re-syndication, or sale to a third party; and <p>How affordability will be maintained through the minimum extended affordability period in accordance with Section 3.2.3...”</p>	Language added.	Added requirement to provide a plan for year 15.
3.7.1 General Terms	“... <u>Loan Term</u> : The RHFP and RHW loan term will be the construction loan period (generally the construction contract term plus three months for cost certification) plus the permanent loan period (generally forty (40) years). Repayment of the loan will be accelerated due to sale, refinancing or other transfer of the project, or occurrence of an event of default.”	“... <u>Loan Term</u> : The RHFP and RHW loan term will be the construction loan period (generally the construction contract term plus four (4) months for cost certification) plus the permanent loan period (generally forty (40) years). Repayment of the loan will be accelerated due to sale, refinancing or other transfer of the project, or occurrence of an event of default.”	Language changed.	Corrected cost certification timeline.
3.7.2 Standard Surplus Cash Repayment Terms	“... <u>Interest</u> : 0% interest during the construction loan period; 2% simple interest during the permanent loan period...”	“... <u>Interest</u> : 0% interest during the construction loan period; generally 2% simple interest during the permanent loan period...”	Language added.	Updated to allow for modifications as needed.

3.8 LIHTC Award Limits	“The maximum amount of a competitive LIHTC reservation or allocation will be limited to not more than \$1.5 million to any single project. Reservations and/or allocations may be split over two (2) or more calendar years...”	“The maximum amount of a competitive LIHTC reservation or allocation for small projects (up to 40 units) competing in the general pool will be limited to the lesser of no more than \$25,000 per unit or \$1 million. Larger projects will be limited to no more than \$1.5 million to any single project. Reservations and/or allocations may be split over two (2) or more calendar years...”	Language added.	Created distinction in award limits based on number of units.
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. For projects that involve “twinning” of 9% LIHTC and MBP/4% LIHTC or simultaneous MBP/4% LIHTC, as defined in Section 3.9.9, the total combined Developer’s Fee will be the lower of the calculation below or \$5 million...”	Language added.	Established limits on Developer’s Fees for “twinning” projects.
3.9.9 Phased Projects	“Applications for subsequent phases of projects already in receipt of a reservation of RHFP funds or LIHTC allocations must show evidence that the original phase(s) of the project has achieved Sustaining Occupancy. For this purpose, Sustaining Occupancy means a minimum of three (3) months of break-even operations and occupancy at 90% or greater.”	“Applications for subsequent phases of projects already in receipt of a reservation of RHFP funds or LIHTC allocations must show evidence that the original phase(s) of the project has achieved Sustaining Occupancy. For this purpose, Sustaining Occupancy means a minimum of three (3) months of break-even operations and occupancy at 90% or greater. Projects that involve simultaneous MBP/4% LIHTC for multiple projects that are part of a larger development located on the same, contiguous, or proximate sites must request a waiver and may be subjected to the Developer Fee limits for “twinning” projects established in Section 3.9.8.3.	Language added.	Provides clarification on “twinning” and simultaneous projects.

		<p>“Twinning” projects are defined as one (1) 9% LIHTC project and one (1) MBP/4% LIHTC project on the same common plan of development or larger development located on the same, contiguous, or proximate sites. Other structures will not be accepted.”</p>		
3.11.4 Environmental Assessments	<p>“Each project must comply with applicable requirements of local, State, and federal environmental laws and regulations. As part of the Application Submission Package, an environmental assessment checklist or environmental report, if available, must be included. Environmental assessments must not be more than one (1) year old as dated from application submission.”</p>	<p>“Each project must comply with applicable requirements of local, State, and federal environmental laws and regulations. As part of the Application Submission Package, an environmental assessment checklist or environmental report, if available, must be included. Environmental assessments must not be more than one (1) year old as dated from application submission. Where site remediation or mitigation is required, a scope of work including the required elements of an approved environmental plan must be incorporated in the construction documents, plans, specifications, budget, and construction contract before initial closing.”</p>	Language Added	Added clarification on sites where remediation or mitigation is required.
3.12 Market Study	<p>“...A complete and accurate description of the site and the immediate surrounding area, including: Information and statistics pertaining to school performance, including State standardized testing results compared to the State’s average; graduation rates compared to the State’s average; and an analysis of how this information might affect the market performance of the project; Information about opportunities for recreation, education, convenient access to mass transit or rail systems, and community activities for the</p>	<p>“...A complete and accurate description of the site and the immediate surrounding area, including: Information about opportunities for recreation, education, convenient access to mass transit or rail systems, and community activities for the building, project site, and nearby surroundings. A chart and map that shows proximity to public services, grocery, medical facilities, and public transportation must be included; and...”</p>	Removed language	Removed requirement to include school performance data.

	building, project site, and nearby surroundings. A chart and map that shows proximity to public services, grocery, medical facilities, and public transportation must be included; and...”			
3.13 Development Quality Thresholds	Establishes requirements for All Projects; New Construction, Gut Rehabilitation, and Adaptive Re-Use; and Rehabilitation.	Reorganized the sections to capture elements required for all projects in the all project section.	Sections reorganized.	Reorganized for clarity and to reduce redundancy.
3.13.1 Criteria Applicable to All Projects		“...Electric Vehicle Charging - All projects must provide and install at least one (1) dual level two (2) or higher electric vehicle (EV) charging station. Parking spaces with access to EV charging stations shall be labeled for their intended use for electric vehicle charging. In addition, the EV charging stations shall be on the accessible path and provide convenient access to residents. Where individual driveways are provided, the charging station shall be centrally located...”	Language added.	Added requirement for including EV charging.
3.13.2 Additional Criteria Applicable Only to New Construction, Gut Rehabilitation, and Adaptive Re-use	N/A	“...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.”	Language added.	Added a requirement for a building evaluation report on structural elements for gut rehabilitation and adaptive re-use projects.

3.13.3 Additional Criteria Applicable to Only to Rehabilitation	“...Total hard construction costs (exclusive of fees or overhead items) of rehabilitation for projects must be at least \$15,000 per unit and supported by a building evaluation report performed by an engineer or other qualified professional...”	“...Total hard construction costs (exclusive of fees or overhead items) of rehabilitation for projects must be at least \$25,000 per unit and supported by a building evaluation report performed by an engineer or other qualified professional...”	Language changed.	Increased total hard construction cost requirements.
3.13.3 Additional Criteria Applicable to Only to Rehabilitation	“...As determined by the energy audit, rehabilitation projects must achieve a minimum of 15% energy savings for the rehabilitated building(s) over the existing building condition or install all energy conservation measures that have a Savings to Investment Ratio (SIR) of 2.0 or greater. The SIR standard may be used if a rehabilitation project previously completed an energy efficiency retrofit and the 15% standard cannot be achieved...”	“...As determined by the energy audit, rehabilitation projects must achieve a minimum of 15% energy savings for the rehabilitated building(s) over the existing building condition. If the 15% energy use reduction is not able to be achieved, a project may complete one of the energy or green certifications stated in Section 4.6... ”	Language Updated	Updated section to allow for energy/green certifications instead of SIR standard.
4 Competitive Scoring Criteria – Multifamily Bond Program and Rental Housing Works Terms and Conditions	Establishes minimum scoring criteria for projects seeking MBP and RHW.	“...at least two (2) points within the Nonprofits(NPs),Public Housing Authorities(PHAs)and Minority/Disadvantaged Business Enterprises(MBE/DBEs) category outlined in Section 4.1.4, and at least twelve (12) points within the Development Quality Standards category in Section 4.6... at least two (2) points within the Nonprofits (NPs), Public Housing Authorities (PHAs) and Minority/Disadvantaged Business Enterprises (MBE/DBEs) category outlined in Section 4.1.4, and at least fourteen (14) points within the Development Quality Standards category in Section 4.6 below...”	Language added.	Increased minimum score for Development Quality Standards and added minimum points for NP, PHA, and MBE/DBE to increase capacity/participation in non-competitive projects.

4 Competitive Scoring Criteria	N/A	<p>“Infill and Redevelopment Pool Terms and Conditions Applicants applying for the Infill and Redevelopment Pool, established in Section F.2 of the QAP, must meet all Threshold Criteria in Chapter 3. Such projects are not required to compete with the general pool and must achieve a minimum total score of one hundred sixty (160) points, including at least ten (10) points within the Developer Financial Capacity category outlines in Section 4.1.3.”</p>	Language added.	Added minimum scoring criteria for projects applying for the Small Project Pool.
4.1.1 Development Team Experience	Establishes scoring criteria for primary development team experience.	<p>“Infill and Redevelopment Pool For projects applying for the Infill and Redevelopment Pool, established in Section F.2 of the QAP, Developer experience is based on the experience of the development company or the experience of the development company’s principal if the company has less than 5 years of experience.”</p>	Language added.	Adjusted scoring criteria for Small Project Pool, to allow for emerging developers to participate in the LIHTC program while gaining the necessary experience to compete in the general pool of awards.
4.1.3 Developer Financial Capacity	<p>“...Points will be awarded based on the combined net worth (net assets for nonprofit organizations) of the Developer (Total Assets less Total Liabilities), as follows:</p> <ul style="list-style-type: none"> • Over 25% of Total Development Cost (TDC)..... eight (8) points • Less than 25% but at least 10% of TDCfour (4) points • Less than 10% of TDC zero (0) points 	<p>“...Points will be awarded based on the combined net worth (net assets for nonprofit organizations) of the Developer/Sponsor/General Partner/Managing Member (Total Assets less Total Liabilities), as follows:</p> <ul style="list-style-type: none"> • Over 25% of Total Development Cost (TDC) two (2) points • Less than 25% but at least 10% of TDC ..one (1) point 	Language added.	Separated scoring between Developer/Sponsor and Guarantor.

	<p>Points will be awarded based on the combined net liquid assets of the Developer (Current Assets less Current Liabilities), as follows:</p> <ul style="list-style-type: none"> • Over 10% of TDC ten (10) points • Over 4% but less than 10% of TDC ... eight (8) points • Between 2% and 4% of TDC four (4) points • Under 2% of TDC zero (0) points 	<ul style="list-style-type: none"> • Less than 10% of TDC zero (0) points <p>Points will be awarded based on the combined net liquid assets of the Developer/Sponsor/General Partner/Managing Member (Current Assets less Current Liabilities), as follows:</p> <ul style="list-style-type: none"> • Over 10% of TDC two and a half (2.5) points • Over 4% but less than 10% of TDC two (2) points • Between 2% and 4% of TDCone (1) point • Under 2% of TDC zero (0) points <p>Points will be awarded based on the net worth (net assets for nonprofit organizations) of the Guarantor (Total Assets less Total Liabilities), as follows:</p> <ul style="list-style-type: none"> • Over 25% of Total Development Cost (TDC) six (6) points • Less than 25% but at least 10% of TDC three (3) points • Less than 10% of TDC zero (0) points <p>Points will be awarded based on the net liquid assets of the Guarantor (Current Assets less Current Liabilities), as follows:</p> <ul style="list-style-type: none"> • Over 10% of TDC seven and a half (7.5) points • Over 4% but less than 10% of TDC six (6) points • Between 2% and 4% of TDC three (3) points 		
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		<ul style="list-style-type: none"> • Under 2% of TDCzero (0) points” 		
4.1.4 Nonprofits, Public Housing Authorities, and Minority/Disadvantaged Business Enterprises	<p>“...Category 4 (maximum of eight points): Up to two (2) points for each NP, PHA, or MBE/DBE entity that:</p> <ol style="list-style-type: none"> 1. Is a member of the Secondary Development Team as a civil engineer, attorney, accountant, and/or other specialized professional service provider; or 2. Performs another important role with the goal of building its capacity to develop, manage, construct, design, or own affordable housing in the future...” 	<p>“...Category 4 (maximum of eight points):</p> <p>One (1) point for each NP, PHA, or MBE/DBE entity that is a member of the Secondary Development Team as a civil engineer, attorney, accountant, and/or other specialized professional service provider; or</p> <p>Two (2) points for each NP, PHA, or MBE/DBE entity that performs another important role with the goal of building its capacity to develop, manage, construct, design, or own affordable housing in the future...”</p>	Language added.	Separated scoring for Secondary Development Team members and capacity building roles.
4.2.2 Communities of Opportunity	Utilizes ACS 2007-2011 and ESRI 2012 community profile	Utilizes ACS 2016-2020	Language updated.	Updated the data sources to reflect ACS 2016-2020 data.

<p>4.3 Transit Oriented Development</p>	<p>“Eight (8) points to a project that is part of a MDOT-designated TOD. A list of MDOT designated TODs is available at: http://www.mdot.maryland.gov/newMDOT/Planning/TOD/index.html;</p> <p>Eight (8) points to a project that is located within a one-half (1/2) mile radius of a passenger boarding and alighting location of a planned or existing transit rail stop or station;</p> <p>Eight (8) points to a project located within a one-half (1/2) mile radius of two separate bus lines, where passengers can transfer from one line to another;</p> <p>Eight (8) points to a project located in an area defined as rural by DHCD or USDA and located within a one (1) mile radius of a passenger boarding and alighting location of a planned or existing bus or transit rail stop or station;</p> <p>Eight (8) points to a project that is family housing in a Community of Opportunity and meets either of the following criteria: a) located within a two (2) mile radius of a passenger boarding and alighting location of a planned or existing bus or transit rail stop or station; or b) augments the minimum threshold tenant services by providing (or arranging for the provision of) alternate forms of free or subsidized transportation services and assistance for residents of the project beginning no later than 8:00 am and ending no earlier than 6:00 pm, Monday through Friday (such as on-</p>	<p>“...Five (5) points to a project that is part of a MDOT-designated TOD. A list of MDOT-designated TODs is available at: http://www.mdot.maryland.gov/newMDOT/Planning/TOD/index.html;</p> <p>Five (5) points to a project that is located within a one-half (1/2) mile radius of a passenger boarding and alighting location of a planned or existing transit rail stop or station;</p> <p>Two (2) points to a project located within a one-half (1/2) mile radius of two separate bus lines, where passengers can transfer from one line to another;</p> <p>One (1) point to a project located in an area defined as rural by DHCD or USDA and located within a one (1) mile radius of a passenger boarding and alighting location of a planned or existing bus or transit rail stop or station;</p> <p>One (1) point to a project that is family housing in a Community of Opportunity and located within a one (1) mile radius of a passenger boarding and alighting location of a planned or existing bus or transit rail stop or station;</p> <p>One (1) point to a project served by Demand Responsive Transit (DRT) that is accessible (i.e. available to all people with disabilities including those who use a mobility device and/or service animal). The project is served by a DRT service beginning no later than 8:00 am and ending no earlier than 6:00 pm, Monday through Friday. DRT</p>	<p>Language updated.</p>	<p>Reduced scoring totals by 50% and updated language to incentivize sites in close proximity to public transportation and/or goods/services.</p>
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demand paratransit, vans, microtransit, taxi, “Uber” or “Lyft” service, “Zip Car” or other car sharing services, or car purchase programs such as “Vehicles for Change” and “Wheels for Work”, but any chosen services must be available to all residents and not restricted to service for the elderly or disabled);

Four (4) points to a project served by Demand Responsive Transit (DRT) that is accessible (i.e. available to all people with disabilities including those who use a mobility device and/or service animal). The project is served by a DRT service beginning no later than 8:00 am and ending no earlier than 6:00 pm, Monday through Friday. DRT must be available to all residents and not restricted to service for the elderly or disabled. DRT service funded solely by the project is acceptable for points in this category;

Four (4) points to a project offering car sharing. The project is located within ¼ mile of a car sharing vehicle (i.e. “Zip Car” or other car sharing services), or is proposing a car sharing service on site; or

Points will be allocated to a project located in a transit-proximate development that promotes walkability and/or bike-friendly land use with easy access to mass transit and retail store locations based on its WALK Score (www.walkscore.com).

WALK Score Range	Points Allocated
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must be available to all residents and not restricted to service for the elderly or disabled. DRT service funded solely by the project is acceptable for points in this category;

Points will be allocated to a project located in a transit-proximate development that promotes walkability and/or bike-friendly land use with easy access to mass transit and retail store locations based on its WALK Score (www.walkscore.com).

WALK Score Range	Points Allocated
50-59	0.5
60-69	1
70-79	1.5
80 and Above	2”

	50-59	2			
	60-69	4			
	70-79	6			
	80 and Above	8"			
4.4.1 Income Targeting	<p>"...For projects that involve "twinning" of 9% LIHTC and MBP/4% LIHTC, which refers to multiple projects which, pursuant to a common plan of development, are part of a larger development located on the same, contiguous, or proximate site, include an overall total of at least 120 units, and demonstrate a need for at least \$5 million of MBP financing..."</p>		<p>"...For projects that involve "twinning" of 9% LIHTC and MBP/4% LIHTC, as defined in Section 3.9.9..."</p>		<p>Language changed.</p> <p>Updated language to reference the definition established in Section 3.9.9.</p>
4.4.5 Policy Incentives	<p>"...Five (5) points will be awarded to "Choice Neighborhood" projects. These points will be awarded as follows:</p> <ul style="list-style-type: none"> ○ Points will only be awarded to projects located within the boundaries of, and contributing to, a "Choice Neighborhood" identified by HUD; and ○ Points will only be awarded to "Choice Neighborhood" "twinning" projects, as defined in Section 4.4.1, which include an overall total of at least 150 units." 		<p>"...Two (2) points will be awarded to "Choice Neighborhood" projects. The "Choice Neighborhood" program is a federal grant program, administered by HUD, that provides resources to help transform high-poverty, distressed neighborhoods. These points will be awarded as follows:</p> <ul style="list-style-type: none"> ○ Points will only be awarded to projects located within the boundaries of, and contributing to, a "Choice Neighborhood" planning grant or award identified by HUD; and ○ Projects with a "Choice Neighborhood" planning grant or award in the Baltimore or DC Metro area must meet the "twinning" projects requirement, as defined in Section 4.4.1, and 		<p>Language changed.</p> <p>Reduced "Choice Neighborhood" incentive points to two points and allowed for "Choice Neighborhood" planning grants in addition to awards. Added incentives for MBE/DBEs participating in the Infill and Redevelopment Pool.</p>

		<p>include an overall total of at least 150 units to receive points under this category; or</p> <ul style="list-style-type: none">○ Projects with a “Choice Neighborhood” planning grant or award in Allegany, Calvert, Caroline, Cecil, Charles, Dorchester, Frederick, Garrett, Kent, Queen Anne’s, Saint Mary’s, Somerset, Talbot, Washington, Wicomico, or Worcester Counties must meet the “twinning” projects requirement, as defined in Section 4.4.1, and include an overall total of at least 120 units to receive points under this category.○ Note: for the purposes of this scoring criteria, the Baltimore Region and the DC Metro Area include Anne Arundel, Baltimore, Carroll, Harford, Howard, Montgomery, and Prince George’s Counties and the City of Baltimore. <p>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.</p> <p>Note: All policy incentive points will be awarded based on the final scores, excluding points in Section 4.4.5 and Section 4.7. Projects applying under the Infill and Redevelopment Pool are only eligible for points under category 5 in this section.”</p>		
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<p>4.5.1 Direct Leveraging</p>	<p>“...DHCD-administered rental housing resources including, but not limited to, RHFP, RHW, HOME, CDBG, the Community Legacy Program, Demolition Funds, and the Partnership Rental Housing Program... Projects that involve “twinning” of 9% LIHTC and MBP/4% LIHTC, as described in Section 4.4.1, will receive two (2) additional points to capture the leveraging of the MBP/4% LIHTC project...”</p>	<p>“...DHCD-administered rental housing resources including, but not limited to, RHFP, RHW, HTF, HOME, CDBG, the Community Legacy Program, Demolition Funds, and the Partnership Rental Housing Program.</p> <p>Leveraged funding may include:</p> <ul style="list-style-type: none"> • Project CORE funds awarded by DHCD; • Strategic Demolition funds awarded by DHCD; • Emerging Developer Loan Funds awarded by DHCD;... <p>Projects that involve “twinning” of 9% LIHTC and MBP/4% LIHTC, as described in Section 3.9.9, with an overall total of at least 120 units and demonstrated a need for at least \$5 million of MBP financing, will receive two (2) additional points on the 9% LIHTC project to capture the leveraging of the MBP/4% LIHTC project...”</p>	<p>Language added.</p>	<p>Added HTF to the list of DHCD-administered resources, added Emerging Developer Loan Funds awards to list of leveraged funds, and clarified the “twinning” points awarded.</p>
<p>4.6.3 Project Durability and Enhancements</p>	<p>“...Individual units, common areas, and community spaces are well designed for comfortable living and tenant activities. The layouts are efficient, with practical traffic flow, and provide adequate space for furniture placement. (550 - 600 net square feet area for predominantly one (1)-bedroom units and 20% more area for each additional bedroom unit, with the primary bedroom not less than 10 feet x 11 feet in clear size, and 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</p>	<p>“...Individual units, common areas, and community spaces are well designed for comfortable living and tenant activities. The layouts are efficient, with practical traffic flow, and provide adequate space for furniture placement. (550 - 600 net square feet area for predominantly studio/efficiency and one (1)-bedroom units and 20% more area for each additional bedroom unit, with the primary bedroom not less than 10 feet x 11 feet in clear size, and 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.</p>	<p>Language added.</p>	<p>Clarified requirements for studio/efficiency net square feet and updated closet and storage requirements.</p>

	<p>square feet in area. Note the dimensions are for clear area and do not include the closet space).</p> <p>Storage space is reasonable with a minimum of a four (4) foot clothes closet per person in each bedroom and at least three (3) of the following: an entry coat closet, linen closet, utility closet, or additional storage for storing seasonal or bulky items. Closets intended for appliances (i.e. washer/dryer, HVAC) cannot be included as storage space...”</p>	<p>Note the dimensions are for clear area and do not include the closet space).</p> <p>Closet space is reasonable with a minimum of a four (4) foot clothes closet per person in each bedroom and at least three (3) of the following: an entry coat closet, linen closet, or utility closet. Closets intended for appliances (i.e. washer/dryer, HVAC) and kitchen pantry cannot be included as storage space.</p> <p>Secure individual bulk storage is provided either in the unit or on site that is a minimum of three (3) feet by five (5) feet in size...”</p>		
5.1 Waivers - General	<p>“...DHCD requires applicants seeking a waiver of the Threshold or Competitive Scoring Criteria in this Guide to submit such requests in writing to the Director of Multifamily Housing, at least thirty (30) calendar days in advance of the round deadline...”</p>	<p>“...All waiver requests must be submitted through the Waiver Request Form on DHCD’s website.</p> <p>https://dhcd.maryland.gov/HousingDevelopment/Pages/MF/WaiverRequest.aspx</p> <p>DHCD requires applicants seeking a waiver of the Threshold or Competitive Scoring Criteria in this Guide to submit such requests through the Waiver Request Form, at least thirty (30) calendar days in advance of the round deadline...”</p>	Language Added.	Updated waiver submission process to require all projects submit via the waiver form on DHCD’s website.
5.2.3 Construction or Rehabilitation Costs	<p>“DHCD may grant waivers of the per square foot maximum new construction or rehabilitation costs based on staff evaluation of the project’s conformance with other application criteria;</p>	<p>“DHCD may grant waivers of the per square foot maximum new construction or rehabilitation costs based on staff evaluation of the project’s conformance with other application criteria;</p>	Language changed.	Updated cost minimum to \$25,000 and updated rationale for granting waivers.

	<p>extenuating circumstances such as the adaptive reuse of existing structures, the need to meet the Secretary of the Interior's Standards for Historic Rehabilitation (if applicable), the amount of equity and other financial resources leveraged, unusual site conditions, public infrastructure requirements, and the experience of the design professionals and the general contractor for the proposed project.</p> <p>Requests for waivers of the \$15,000 per unit cost minimum for rehabilitation projects may be submitted to DHCD for projects that can demonstrate..."</p>	<p>extenuating circumstances such as the adaptive reuse of existing structures, the need to meet the Secretary of the Interior's Standards for Historic Rehabilitation (if applicable), the amount of equity and other financial resources leveraged, unusual site conditions, public infrastructure requirements.</p> <p>Requests for waivers of the \$25,000 per unit cost minimum for rehabilitation projects may be submitted to DHCD for projects that can demonstrate..."</p>		
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