

**The Department’s Proposed Changes to the Qualified Allocation Plan**

Existing Section	Existing Language	Proposed Language	Action	Rationale
E.3 State 30% Basis Boost	“All family projects located within Communities of Opportunity that request competitive tax credits qualify for the State 30% Basis Boost without prior CDA approval...”	“All family projects located within Communities of Opportunity and projects located in an ENOUGH Act census tract that request competitive tax credits qualify for the State 30% Basis Boost without prior CDA approval...”	Language added.	Added basis boost for ENOUGH Act census tracts.
F.2 Infill and Redevelopment Pool	“...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...”	“...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 25% interest in the general partner or managing member of the project owner...”	Language updated.	Increases allowable ownership percentages for general pool applications to allow for greater collaboration.

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

Existing Section	Existing Language	Proposed Language	Action	Rationale
3.4 Tenant Services	N/A	“...Projects that intend to target more than 25% of their affordable units to persons experiencing homelessness, including veterans, must identify how the tenants will be able to integrate with the surrounding community.”	Language added.	Added requirement for community integration in tenant services plans for projects exceeding 25% targeted populations.
3.5.1 Uniform Federal Accessibility Standards Requirements	“...In addition to meeting UFAS standards, UFAS units should have at least one roll-in shower, which should be located in a wheelchair-accessible bathroom.”	“...In addition to meeting UFAS standards, UFAS units must have at least one roll-in shower located in a wheelchair-accessible bathroom.”	Language updated.	Updated UFAS requirements.
3.5.3 Permanent Supportive Housing	“All projects, regardless of the source of funds, must reserve a minimum of the greater of 5 units or 15% of the affordable units for persons experiencing chronic homelessness through permanent supportive housing (PSH). Projects must agree to provide notice of unit availability to and only accept tenant referrals from a designated state Continuum of Care (CoC), as evidenced by a memorandum of understanding or other formal written agreement submitted at the time of application. The MOU or written agreement must outline the relationship the project will have with the CoC regarding referral services, supportive services, and data sharing. If supportive services are being provided by other entities, the project must have formal agreements submitted at the	“All projects, regardless of the source of funds, must reserve a minimum of the greater of five (5) units or 15% of the affordable units for persons experiencing chronic homelessness through permanent supportive housing (PSH) if funding is available prior to closing. Projects must agree to provide notice of unit availability to and only accept tenant referrals from DHCD or a designated state Continuum of Care (CoC), as evidenced by a memorandum of understanding (MOU). DHCD will establish the MOU between DHCD, the CoC, the property, and the supportive services provider prior to closing.  PSH units must be reserved for chronically homeless households for a period of not less than sixty (60) calendar days both at initial lease-up and upon	Language updated.	Updated requirements to account for greater DHCD coordination of resources.

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	<p>time of application that identify the service provider(s) and outline the specific services to be provided.</p> <p>PSH units must be reserved for chronically homeless households for a period of not less than sixty (60) calendar days both at initial lease-up and upon turnover. The sixty (60) calendar day time period at lease-up will be measured from the date upon which the project achieves 80% occupancy and at turnover will be measured from the date the unit is determined ready for occupancy following move-out by the prior tenants and completion of any cleaning, repairs, or maintenance. If a project is unable to fill a unit with a PSH referral after the sixty (60) calendar day period, the unit may be leased to another household at the applicable AMI level -or below. The next available unit in the Project shall be marketed to the CoC until the project is in compliance with the required number of PSH units.</p> <p>All PSH units must have a commitment at the time of application for project-based rental subsidy with a term of at least fifteen (15) years for each PSH unit or other funding to ensure units are affordable. The rent subsidy or funding must cover the difference between 30% of the resident's income and the fair market rent for the unit. Project-based rental assistance may be provided by a local public housing authority, USDA, or other such project-based assistance.</p>	<p>turnover. The sixty (60) calendar day time period at lease-up will be measured from the date upon which the project achieves 80% occupancy and at turnover will be measured from the date the unit is determined ready for occupancy following move-out by the prior tenants and completion of any cleaning, repairs, or maintenance. If a project is unable to fill a unit with a PSH referral after the sixty (60) calendar day period, the unit may be leased to another household at the applicable AMI level or below based on the tax credit covenant. The next available unit in the Project shall be marketed to the CoC until the project is in compliance with the required number of PSH units.</p> <p>Occupied rehabilitation projects may stagger the leasing of PSH units at turnover to ensure that one (1) PSH unit is leased for every three (3) non-PSH units until the project is in compliance with the required number of PSH units.</p> <p>If funding is not available prior to closing, the units will convert to a regular homeless preference and follow the same leasing policy stated above.</p> <p>DHCD will establish a process for coordinating rental assistance, services, and referrals for PSH units. Applicants must agree to utilize the subsidy and services for their PSH units. DHCD may provide funding for fewer PSH units than the five (5) units or 15% of affordable units requirements, depending on funding availability.</p>		

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	<p>DHCD intends to establish a process for coordinating services and referrals for PSH units. When such a process is created by DHCD, applicants must agree to utilize the services for their PSH units.</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;</li> <li>• If federal, state, or local rental subsidies are not available;</li> <li>• If other federal, state, or local capital resources are not available to support PSH; or</li> <li>• If federal, state, or local resources are not available to cover supportive service costs.</li> </ul> <p>Waiver requests should include evidence such as the HAP contract or written communication from federal, state, or local entities establishing that funds are not available to support PSH units.”</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>• Competing in the Infill and Redevelopment Pool.</li> </ul> <p>Waiver requests should include evidence such as the HAP contract.”</p>		
3.7.1 General Terms	<p>“...<u>Maximum Awards</u>: Generally, the maximum per project loans for RHFP may not exceed \$2 million, except as permitted in COMAR, and RHW may not exceed \$3.5 million. DHCD will announce the maximum award limits for each competitive funding round through Multifamily Notice and</p>	<p>“...<u>Maximum Awards</u>: Generally, the maximum per project loans for 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 2023. DHCD will announce the maximum award limits for each</p>	Language changed.	Updated timeline for posting maximum award limits.

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	post on DHCDs website approximately sixty (60) calendar days before the application deadline...”	competitive funding round through Multifamily Notice and post on DHCDs website when the application deadline is announced...		
3.13.1 Criteria Applicable to All Projects	“...8. Internet – All projects must have the capacity for high-speed Internet in each unit. Internet service provided in each unit may be the responsibility of the tenant. Free internet access should be available to tenants in all designated indoor community spaces and Lovable Places amenities as detailed in Section 4.6.4...”	“...8. Internet – All projects must have the capacity for high-speed Internet in each unit. Internet service provided in each unit may be the responsibility of the tenant. Free wireless internet access must be available to tenants in all designated indoor community spaces and Lovable Places amenities as detailed in Section 4.6.4...”	Language changed.	Provided clarification to requirements.
4.1.4 Nonprofits, Public Housing Authorities, and Minority/Disadvantaged Business Enterprises	<p>“...<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 or equal to 50% but more than 10% interest in the general partner or managing member of the project owner as follows:</p> <ul style="list-style-type: none"> <li>• 10.1-15% - 5 points</li> <li>• 15.1-25% - 5.5 points</li> <li>• 25.1-50.9% - 6 points...”</li> </ul>	<p>“...<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 51% but more than 10% interest in the general partner or managing member of the project owner as follows:</p> <ul style="list-style-type: none"> <li>• 10.1-15% - 5 points</li> <li>• 15.1-25% - 5.5 points</li> <li>• 25.1-50.9% - 6 points...”</li> </ul>	Language updated.	Corrected scoring to allow for points for 50% ownership/
4.3 Transit Oriented Development	<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>Five (5) 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 that is located within three-quarters (3/4) of a mile radius of a passenger boarding and alighting location of a planned or existing transit rail stop or station;</p> <p>Five (5) points to a project located within three-quarters (3/4) of a mile radius of two separate bus lines, where passengers can transfer from one line to another...”</p>	Language updated.	Updated language to align with the Housing Expansion and Affordability Act of 2024.

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4.4.2 Targeted Populations	<p>“...Applicants seeking points under this section for PWD must agree to provide notice of unit availability to and accept tenant referrals from MDH and MDOD. Applicants seeking points for persons experiencing homeless or persons experiencing chronic homelessness through permanent supportive housing must agree to provide notice of unit availability to and accept tenant referrals from a designated state Continuum of Care (CoC), as evidenced by a memorandum of understanding or other formal written agreement...”</p>	<p>“...Applicants seeking points under this section for PWD must agree to provide notice of unit availability to and accept tenant referrals from MDH and MDOD. Applicants seeking points for persons experiencing homeless or persons experiencing chronic homelessness through permanent supportive housing must agree to provide notice of unit availability to and accept tenant referrals from a designated state Continuum of Care (CoC)...”</p>	Language updated.	Updated language to provide greater clarification for PSH.
4.4.3 Family Housing	<p>“...For projects where up to 50% of the units are set-aside for persons experiencing homelessness through permanent supportive housing, the points earned under this section are based only on the general occupancy units using the chart above. The permanent supportive housing units will not be counted in the calculation...”</p>	<p>“...For projects where up to 50% of the units are set-aside for persons experiencing homelessness through permanent supportive housing, the points earned under this section are based only on the general occupancy units using the chart above. The permanent supportive housing units will not be counted in the calculation. This includes the 5 unit/15% of affordable units set-aside for PSH in Section 3.5.3.</p>	Language added.	Updated language to keep PSH projects from being penalized for creating 1 BR PSH units.
4.4.5 Policy Incentives	<p>“...Two (2) points will be awarded to projects being developed under a joint development effort with MDOT for state-owned land adjacent to transit. Points will only be awarded to projects that provide evidence of a MDOT master development agreement and development plan...”</p>	<p>“...Two (2) points will be awarded to projects being developed under a joint development effort with MDOT for state-owned or WMATA for Metro-owned land adjacent to transit. Points will only be awarded to projects that provide evidence of a MDOT or WMATA master development agreement and development plan...”</p>	Language added.	Added WMATA joint development efforts.

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4.6.1 Sustainability Features	“...LEED V4 (Leadership in Energy and Environmental Design) Homes or Homes Midrise...”	“...LEED (Leadership in Energy and Environmental Design) Homes or Homes Midrise...”	Language updated.	Removed version number since the most up to date version at application should be used.
4.6.2 Energy Efficiency	“...For projects that are more than 5 stories, an energy consultant must provide a letter and energy modeling reports to the owner for submission to DHCD attesting that, with the exception of exceeding 5 stories, the project has fulfilled all requirements of DOE ZERH or comparable DHCD-approved energy savings certification or rating designation...”	N/A	Language removed.	DOE ZERH is no longer limited based on building size, so the alternate requirements for buildings exceeding 5 stories is no longer necessary.
4.6.3 Project Durability and Enhancements	N/A	“...In-unit washers and dryers are provided at no additional cost to the tenant...”	Language added.	Added option to provide in-unit laundry facilities.