

# Spring/Summer 2025 Competitive Funding Round FAQs

**As of May 2, 2025**

## Permanent Supportive Housing (PSH) Set-Aside

**Question:** How many units do I need to provide if 50% of the total units is not a whole number?

**Answer:** Standard rounding rules will apply. If the number you are rounding is followed by 5, 6, 7, 8, or 9, round the number up. If the number you are rounding is followed by 0, 1, 2, 3, or 4, round the number down. For example: 50% of 25 affordable units is 12.5, therefore 13 PSH units would be needed to meet the threshold requirements for the set-aside.

**Question:** If I need to round up for the PSH units due to an uneven number of total units, will I still qualify for full points under §4.4.2 Targeted Populations even though the PSH units exceed 50% of the total units.

**Answer:** Projects competing in the PSH Set-Aside will still qualify for ten (10) points under §4.4.2 Targeted Populations if the PSH units exceed 50% as long as the overage is due to rounding to meet the 50% PSH unit requirement. Projects that have PSH units in excess 50% of the total units for reasons other than rounding will receive zero (0) points.

**As of April 23, 2025**

## Threshold: §3.5.3 Units for Persons Experiencing Homelessness

**Question:** How many units do I need to provide if 15% of the affordable units is not a whole number?

**Answer:** Standard rounding rules will apply. If the number you are rounding is followed by 5, 6, 7, 8, or 9, round the number up. If the number you are rounding is followed by 0, 1, 2, 3, or 4, round the number down. For example: 15% of 52 affordable units is 7.8, therefore 8 set-aside units would be needed to meet the threshold requirements.

**As of April 8, 2025**

## General

**Question:** Where can I send the application fee?

**Answer:** Application fees must be made payable to the Community Development Administration or CDA and remitted directly to the attention of:

Community Development Administration  
Maryland Department of Housing and Community Development  
Post Office Box 2524  
Landover Hills, MD 20784

**Question:** Have the application documents been updated to reflect the new QAP?

**Answer:** The Application Submission Package and CDA Form 202 have been updated. All applications must utilize the Application Submission Package and CDA Form 202 dated March 2025.

**Question:** I found an error or an issue with CDA Form 202 – what do I do?

**Answer:** DHCD will update CDA Form 202 as we are made aware of issues and post the updated version on our website. If you identify an issue, please ensure that you are using the most up to date version of the form by verifying the effective date in cell L4 on the General tab. If your issue has not been resolved in the most up to date version, please email [dhcd.qap@maryland.gov](mailto:dhcd.qap@maryland.gov) and we will look into the issue.

**Question:** Can electronic signatures be used, or are original signatures required?

**Answer:** LIHTC applications may be executed by electronic signature, which shall be considered an original signature for all purposes and shall have the same force and effect as an original signature. Without limitation, "electronic signature" shall include electronically scanned and transmitted versions (e.g., via pdf) of an original signature and any typed signature, including any electric symbol or process adopted by either party with the intent to sign the Commitment, including the use of DocuSign or other similar programs.

**Question:** How do you request a pre-application meeting?

**Answer:** Complete the [Pre-Application Meeting Request Form](#) to submit your pre-application meeting request. Once the request is submitted, DHCD will reach out to schedule the meeting.

**Question:** How does the electronic application submission work?

**Answer:** Complete the [Electronic Application Request Form](#) to request a Dropbox folder for each project. The folder is divided into subfolders to mirror the application submission kit. If you submit a "twinning" deal, there is also a separate folder for documents related to MBP/4% LIHTC projects. Once you receive the project folder, you should begin uploading your application documents into the correct subfolders. Access to the Dropbox folders will be revoked at 2 PM on Friday, May 16, 2025, so make sure everything is uploaded before the application deadline.

**Question:** Does the hard copy of the application need to be submitted by the deadline?

**Answer:** Yes, one (1) hardcopy of the completed application must be submitted by 2 PM on Friday, May 16, 2025. This includes one (1) paper copy delivered to DHCD at 7800 Harkins Road, Lanham, MD 20706, and one (1) electronic copy uploaded into the project's Dropbox folder. Incomplete applications will not be considered.

**Question:** When do I need to enter data on my project into the Multifamily Information System (MIS)?



**Answer:** Applicants should work to complete the entry of their projects in MIS by May 16, 2025. If there is an issue with the submission, DHCD may extend the submission through MIS up to two weeks through May 30, 2025.

**Question:** When are waivers due?

**Answer:** Waivers are due on April 16th, 2025. Waivers granted under previous rounds will need to be submitted again for consideration in the current round.

### **Threshold: §3.12.2 Capture Rate**

**Question:** What income targeting should the market studies use when evaluating capture rates for Project-Based vouchers units?

**Answer:** The market analyst should test the capture rates based on each targeted income band for the PBV units, as designated in the CDA Form 202.

### **Competitive Scoring: §4.1.4 NPs, PHAs, MBE/DBEs**

**Question:** What types of service providers will qualify for receiving points as Secondary Development Team members under Category 4?

**Answer:** The “Secondary Development Team” includes the project’s civil engineer, attorney, accountant, and/or other specialized professional service providers. While DHCD does not pre-score development team members, we are happy to provide feedback during your pre-application meeting. Examples of specialized professional service providers that have received points in previous rounds include civil engineers, environmental consultants, green building consultants, legal consultants, MEP engineers, structural engineers, supportive services providers, and traffic consultants.

### **Competitive Scoring: §4.3: Transit Oriented Development (TOD)**

**Question:** How can I stack points across categories for TODs?

**Answer:** Within Category 1, you may choose one option and can receive up to the maximum points for that respective option. You cannot get points for multiple options within Category 1. You may stack your Category 1 point with points from Category 2.

### **Competitive Scoring: §4.4.1 Income Targeting:**

**Question:** How are project based voucher (PBV) units counted for income targeting?

**Answer:** Under 4.4.1, Income Targeting, PBV units will be scored as 30% units. This will allow projects to ensure applicants from the PHA waiting list aren't skipped in the event their income exceeds 30% of the AMI, without negatively impacting the income targeting score.

**Question:** Does the project-based voucher language only apply to mobility programs referenced in the Guide?

**Answer:** No, DHCD considers project-based vouchers awarded through local PHAs as 30% AMI units for the purposes of income targeting scoring; assuming applicants have a project-based housing choice voucher contract with a term of at least fifteen (15) years.



**Question:** How will project-based vouchers be recorded in the regulatory agreement?

**Answer:** DHCD will record the project-based voucher rent restrictions at the levels set in the application. Specifically, if the applicant's target project-based voucher units at 60% of the AMI, those units will be considered 30% units for scoring purposes, but recorded as 60% units in the regulatory agreement.

#### **Competitive Scoring: §4.4.4 Tenant Services:**

**Question:** If I chose the CORES designation for a project funded in a previous Round, can I still choose the CORES designation for Tenant Services even if I haven't received the certification yet?

**Answer:** If you chose the CORES designation for a project funded in a previous Round, you would need to submit either proof of CORES certification, partnership with a CORES certified 3rd party, or a copy of the Pre-Screen Approval Email from CORES to demonstrate that you have initiated the application process and believe that you meet their threshold requirements. If your application was funded in a previous Round and you chose the CORES designation but did not achieve the designation or partner with a CORES certified 3rd party by closing, then you will need to provide proof of CORES certification or partnership with a CORES certified 3rd party with your 2025 application(s) in order to receive the CORES designation points in this category.

#### **Competitive Scoring: §4.4.6 Policy Incentives:**

**Question:** Can a project receive policy incentive points in more than one category?

**Answer:** Policy points will be awarded based on the final project scores, excluding any possible points in Section 4.4.6. As long as a project is among the top 2 or 3 highest-scoring projects, depending on the category, they are eligible to receive those points, up to a total of four (4) points. Therefore, it is possible to receive points in more than one category. All categories will be assessed based on the final project score, excluding points awarded in Section 4.4.6.

**Question:** What documentation needs to be provided for Choice Neighborhood projects to receive points in Section 4.4.6?

**Answer:** Documentation of a Choice Neighborhood designation may include an award notification from HUD, letters of intent to provide financial assistance, or other documentation as proof of the designation.

#### **Competitive Scoring: §4.5.1 Direct Leveraging:**

**Question:** What is the raise-up rate for Low Income Housing Tax Credits that the Department will use for scoring purposes in Section 4.5.1 Direct Leveraging?

**Answer:** The Department will use a raise-up rate of 90 cents.

**Question:** Do HTF and State HOME funds count as state funds for leveraging?

**Answer:** Yes, under Section 4.5.1, State resources include DHCD-administered rental housing resources, including HTF and State HOME funds. Project CORE/Baltimore Vacants Reinvestment Initiative (BVRI), Strategic Demolition funds, and the Emerging Developer Loan Fund are the only DHCD funds specifically



mentioned as leveraged funds in this section. The Department may designate new funds as leveraged funds for the purposes of scoring, as determined by the Secretary or designee.

**Question:** How do I calculate leveraging for a "twinning" project?

**Answer:** Projects submitting "twinning" applications should only calculate leveraging based on the 9% project. Projects that meet the definition of twinning under Section 3.9.9, with an overall total of at least 120 units and demonstrate a need for at least \$5 million in MBP financing, will receive two (2) additional points on their leveraging score.

### **Competitive Scoring: §4.5.2 Operating Subsidies:**

**Question:** What are the Entitlement Jurisdictions for the purposes of Operating Subsidy scoring?

**Answer:** For the calculations in Section 4.5.2, the Entitlement Jurisdictions are Anne Arundel County, Baltimore City, Baltimore County, Harford County, Howard County, Montgomery County, and Prince George's County.

### **Competitive Scoring: §4.5.3 Construction Cost Limits:**

**Question:** Has the Department updated the Construction Cost limits outlined in Section 4.5.3 of the Guide?

**Answer:** The construction cost limits were reviewed and included in Multifamily Notice 25-03, released on February 6, 2025. They are also on our website. The table below includes the current construction cost limits:

### **Maximum Construction Cost per Gross Square Foot (February 2025)**



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301-429-7400 • 1-800-756-0119 • TTY/RELAY 711 or 1-800-735-2258



Type of Building	New Construction	Rehabilitation
Cottage, Single Family, Semi-detached Dwellings, and Townhomes	\$271	\$277
Garden Apartments	\$227	\$173
Non-elevator Stacked Units and Elevator Buildings with 4 stories or less	\$246	\$202
Elevator Buildings of 5 or more stories	\$271	\$210

## Competitive Scoring: §4.6.4 Lovable Places

**Question:** Is there an option to do fewer than three of the lovable places options and get partial points?

**Answer:** No, there is not an option to get pro-rated points if you do one or two of the lovable place features. A project must include at least three of the five options to receive the points.

**Question:** Given the walkability component of lovable places, is this section only for projects in urban areas?

**Answer:** No, projects in any area can achieve the lovable places distinction. Projects in rural areas can promote walkability. While there is specific language for projects in urban or similar districts, any project can include walkability designs.

**Question:** How do I know if my design for lovable places will receive points?

**Answer:** If your lovable Places designs/narrative are submitted along with your pre-application meeting request form, the CDA team will review prior to the meeting and provide feedback during the meeting.

## Twinning:

**Question:** What qualifies as a “twinning project”?

**Answer:** “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.

**Question:** If I have a "twinning" project, do I need to submit full applications for the 4% and 9% projects?

**Answer:** The 9% LIHTC project needs to submit a full application. For the 4% LIHTC project, we require CDA Form 202, architectural schematics, and letters of intent. No other information is required for the 4% LIHTC, although a full application for the 4% LIHTC project will be required at a later date if the 9% LIHTC



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project receives an award. Remember, to be considered a "twinning" project in the Spring/Summer 2025 Competitive Funding Round, projects must have a common development plan, include a minimum of 120 units, and demonstrate a need for at least \$5 million in MBP financing.

**Question:** When does the MBP/4% LIHTC project application need to be submitted?

**Answer:** If the 9% LIHTC project receives an award, DHCD staff will coordinate with the sponsoring entity to establish a timetable for submission of a full application for the 4% LIHTC project.

**Question:** Do the 9% LIHTC and MBP/4% LIHTC projects need to be separate buildings?

**Answer:** No, the projects do not need to be separate buildings, but separate buildings are allowed. If the projects are both in one building, "checkerboarding" of units within the building will not be permitted. For example, in a horizontal split, you might have the 9% LIHTC units on the east side of the building and the MBP/4% LIHTC units on the west side with a firewall separating the two. You might have the 9% LIHTC units on the first three floors and the MBP/4% LIHTC on the 4-6th floors with separate elevators in a vertical split. Any common areas should have cross-use agreements, and the two projects should look and run the same.

## **Miscellaneous:**

**Question:** Are Solar Systems, Security Systems, and Playground Soft or Hard costs?

**Answer:** Solar Systems, Security Systems, and Playgrounds are considered hard costs and must be included in the construction budget. Budgets that include these costs as soft costs will not be accepted.



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