



## Multifamily Housing Notice 08-11

September 30, 2008

**To:** Developers, Sponsors and Local Housing Contacts  
**From:** Patricia Rynn Sylvester, Director, Multifamily Housing  
**Re:** ***Notice of Public Hearing for Final Draft of Maryland Qualified Allocation Plan (QAP) and Multifamily Financing Guide***

As required by federal law, there will be an official public hearing prior to adoption of the 2009 QAP on Friday October 10, 2008 at 10:00 a.m., in the Auxiliary Conference Room of the Department of Housing and Community Development at 100 Community Place, Crownsville, Maryland. Comments are welcomed and will be accepted at the public hearing or, through 5pm, October 9, 2008, by e-mail to [taxcredits@mdhousing.org](mailto:taxcredits@mdhousing.org). If additional information is needed, please contact Andrew B. Cohen, Tax Credit Administrator at (410) 514-7450. For the draft version to be presented at the hearing, please see:

[2009 DRAFT MARYLAND QUALIFIED ALLOCATION PLAN](#)  
[2009 DRAFT MARYLAND MULTIFAMILY RENTAL FINANCING GUIDE](#)

For additional information:

[2009 DRAFT MARYLAND QUALIFIED ALLOCATION PLAN compared to Public Meeting Draft](#)  
[2009 DRAFT MARYLAND MULTIFAMILY RENTAL FINANCING GUIDE compared to Public Meeting Draft](#)

We appreciate the comments received at the public meeting on September 19, 2008 and in subsequent correspondence. Comments generally covered the proposed changes for the recertification waiver; State 30% basis boost; fixing the tax credit percentage, raise-up, and allocation limit; and scoring issues tied to the 30% state and/or OCT/DDA basis boosts. We have limited our re-draft to addressing those issues relevant to implementing HR 3221. Suggestions for changes that have been discussed as part of prior revisions to the QAP have not been taken up in this re-draft. A summary of the changes made in response to the comments received follows.

1. The recertification exemption process has been simplified and, for most qualified projects, will be automatic provided the project satisfies certain criteria listed in the QAP. For projects with Section 8, Rural Housing or Maryland Partnership Rental Housing Program funds, exemptions will be possible provided owners work with CDA to ensure compliance with all applicable funding source requirements.
2. The 30% state basis boost language has been revised to clarify that the 3 listed criteria are eligibility criteria of similar importance and are not shown in priority order.
3. Language has been revised to clarify that projects receiving the state basis boost are eligible to receive "community revitalization" points under section 4.2.1 provided they meet the criteria spelled out in the section.
4. Language permitting Projects to lock the "up to 9%" tax credit percentage or take the rate in effect at placed in service has been added.
5. The tax credit request limit has been raised from \$1.2 million to \$1.5 million. However, the \$1.2 million limit will continue to apply for scoring construction or rehabilitation costs under section 4.5.

The Department received several comments recommending that the Department fix the tax credit raise-up rate to be used for the December 16, 2008 round and require all applicants to use this rate in putting together a project's Sources and Uses. The Department is willing to do so given the current turmoil in the financial markets but will continue to require each application to include a letter from one syndication firm as required under section 3.7.1. Therefore, 60 days prior to the application deadline, CDA will announce the imputed rate to be used in the leveraging calculation. This rate

should also be used as the raise-up rate and basis for sources and uses for all applications submitted for December 16, 2008 deadline.

After consideration of comments received prior to or at the October 10, 2008 hearing, we will finalize the QAP and Guide and forward the QAP to Governor O'Malley for his signature. The final versions of the QAP and Guide will be posted to our website in October at the same time they are forwarded to the Governor for approval. The changes will be effective for all funding applications received on and subsequent to the date of the Governor's approval.

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Please remember that we are announcing future round deadlines, significant application changes, bond program amendments and other key dates and facts on our web site and by e-mail only. Please make sure that we have your current e-mail address. Please send any additions or corrections to [taxcredits@mdhousing.org](mailto:taxcredits@mdhousing.org) or [rentalhousing@mdhousing.org](mailto:rentalhousing@mdhousing.org) as soon as possible.

Thank you for your interest and participation in the multifamily housing programs in Maryland.

**For More Information, Contact:**

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410-514-7446, or 1-800-543-4505 (toll free in Maryland, only)

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