

Multifamily Housing Notice 19-17

November 18, 2019

To: Developers, Sponsors and Local Housing Contacts

From: Gregory Hare, Director, Multifamily Housing

Re: ***DRAFT 2020 Qualified Allocation Plan and Multifamily Rental Financing Program Guide Revision -- Update***

The Department is releasing a draft revision of the Qualified Allocation Plan (the “QAP”) and Multifamily Rental Financing Program Guide (the “Guide”) for public comment. Thank you to everyone that participated in the four (4) Listening Sessions held in September and October. Each session provided us with various perspectives on the current QAP and Guide. The Department also appreciates the written comments we have received to date, and look forward to continued input from our stakeholders as this process continues.

We are committed to finalizing revisions to the QAP and Guide in a timely manner to enable our partners to continue to pursue the development of critically-needed affordable rental housing, while providing meaningful opportunities for stakeholder engagement.

The following is a summary of a few of the proposed changes to the 2020 QAP and Guide. Please note that this list contains some, but not all revisions. Stakeholders are encouraged to review the entire QAP and Guide on the Department’s website. You may find clean and blacklined versions of the Draft revision of the QAP and Guide at:

<https://dhcd.maryland.gov/HousingDevelopment/Pages/QAPGuideRevisions2020.aspx>

Summary of Selected Changes to QAP

- **Section F.2: Permanent Supportive Housing Set Aside** – modified to create a set aside of up to \$3 million of 9% Tax Credits for the development of projects in Choice Neighborhoods with Permanent Supportive Housing units.

Summary of Selected Changes to Multifamily Rental Financing Guide

- **Development Quality Standards** – various modifications to threshold and scoring requirements.
- **Income Targeting Scoring (Section 4.4.1)** – updated to require “twinning” projects to count their MBP/4% LIHTC units in the calculations.
- **Policy Incentive Points (Section 4.4.5)** – points proposed for “Twinning” transactions, points for geographic diversity. Removal of points for projects located in rehabilitation projects and projects located in Choice Neighborhoods.
- **Operating Subsidies (Section 4.5.2)** – changed point calculation to an equation.
- **Energy Efficiency (Section 4.6.2)** – added point calculation based on HERS score.

Next week, a table summarizing all changes included in the draft QAP and Guide will be posted to the above-referenced website. In the meantime, please feel free to provide us with your comments and input on this draft of the QAP and Guide. As noted in the schedule below, comments on these draft documents are due by no later than Sunday, December 15, 2019. To assist with this effort, a dedicated email has been created to which you may submit your comments:

dhcd.qap@maryland.gov

Schedule for Adoption of 2020 Maryland Qualified Allocation Plan (QAP) and Multifamily Rental Financing Program Guide (Guide)

November 18, 2019 - Draft of Maryland 2020 QAP and Guide Released for Public Comment

December 15, 2019 - Deadline for Public Comments to the First Draft posting

January 2020 - Issue final draft for public comment and publish notice of public hearing. (Notice must be at least two weeks prior to hearing.)



MULTIFAMILY HOUSING UPDATES

February 2020 - Conduct Internal Revenue Code (IRC) mandated public hearing 2019 QAP and Guide

Please note this schedule is subject to change.

Please submit all questions to Gregory Hare via telephone at 301-429-7775 or via email to gregory.hare@maryland.gov.

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IMPORTANT NOTICE REGARDING EMAILING OF MULTIFAMILY NOTICES

Multifamily Housing issues periodic notices (such as the one above) to announce new initiatives, provide important news, announce funding round deadlines, significant application changes, bond program amendments, and other key dates and facts on our website and by email only. You can subscribe to receive Multifamily Housing Notices at the following link:

<http://dhcd.maryland.gov/HousingDevelopment/Pages/About.aspx>

Notices are posted to the DHCD website at the following location:

<http://dhcd.maryland.gov/HousingDevelopment/Pages/MFLibrary.aspx>