



2023 Qualified Allocation Plan: Changes Summary

This document provides a high-level overview of organizational changes and substantive policy changes in the 2023 QAP. Minor changes (e.g., clarifications) are not covered in this document.

Organizational Changes

9% and 4%/Bonds Competitive Rounds

Many changes in the 2023 QAP resulted from moving an existing section or provisions from one section of the QAP to another without changing the content of the policies being moved. Most such changes were for purposes of consolidating information related to the 9% Competitive Round and 4%/Bonds Competitive Round into Core Plan, with each round now having a timeline, requirements, administrative procedures, etc., in its own section.

The table below summarizes changes that moved, rather than substantively changed, QAP provisions.

2023 QAP	2022 QAP
Geographic Pools (“Atlanta Metro Pool,” etc.) are terms in (Core Plan) Definitions .	Pools were previously defined in (Core Plan) Geographic Pools .
“Preservation” is now a term in (Core Plan) Definitions .	Preservation was previously defined in (Scoring Criteria) Applicability of Scoring Criteria .
<p>(Core Plan) 9% Federal Credit Competitive Round consolidates all information relevant to the administration of this competitive round in one section, including:</p> <ul style="list-style-type: none"> • Requirements and Timeline • Application and Award Limitations • Set Asides • State-designated basis boost • Evaluation of 9% Credit Competitive Applications 	<p>The following 2022 QAP sections, either the 9% Round-specific parts or the entire section, were moved into this new section:</p> <ul style="list-style-type: none"> • DCA Pre-Application Fees and Deadline Schedule • Submission Requirements and Award Limitations • 9% Round Set Asides • Geographic Pools (the part establishing geographic set asides) • State-designated Basis Boost • Evaluation of 9% Credit Competitive Applications
<p>(Core Plan) 4% Federal Credit – Bond Financed Projects has been organized similar to the 9% Competitive Round section described above:</p>	<p>The following 2022 QAP sections, either the 4%/Bonds Round-specific parts or the entire section, were consolidated into this section:</p>

2023 QAP	2022 QAP
<ul style="list-style-type: none"> • Requirements and Timeline • Following LOD Issuance • Application and Award Limitations • Minimum Bond Allocations by Priority • Tiebreakers 	<ul style="list-style-type: none"> • DCA Pre-Application Fees and Deadline Schedule • Submission Requirements and Award limitations <p>Further, several 2022 4%/Bonds Competitive Round policies were detailed in the “Georgia Code Policy Guidelines Implementation Statement” publication on the DCA website (click here). These policies are now reflected in 4% Federal Credit – Bond Financed Projects for purposes of 2023.</p>
<p>(Core Plan) Competitive Application Reviews is a new section.</p>	<p>Formerly “Evaluation of 9% Tax Credit Competitive Applications.” This section now applies to both 9% Credits and 4% Credits/Bonds applications.</p>
<p>(Core Plan) Application Designations replaces and broadens the section (Core Plan) Geographic Pools from the 2022 QAP. This section now encompasses both:</p> <ul style="list-style-type: none"> • Geographic Pool designations based on site location • New Supply and Preservation designations based on construction type 	<p>The “New Supply” and “Preservation” competitions were previously discussed in (Scoring Criteria) Applicability of Scoring Criteria</p>
<p>(Core Plan) Pre-Application Determinations is a new section.</p>	<p>Formerly a subsection of “Submission Requirements and Award Limitations.”</p>
<p>(Threshold Criteria) Additional Requirements for 4% Credits/Bonds Applications is a new section.</p>	<p>Requirements specific to 4% Credits/Bonds applications that were previously listed under (Core Plan) 4% Federal Credit – Bond Financed Projects have been moved to this section.</p>

Substantive Changes

The tables below describe substantive policy changes in each QAP section.

Core Plan

Section	Changes
Definitions	“Preservation” definition expanded to encompass demolition and reconstruction on the same site.
9% Federal Credit Competitive Round	<p>A. 9% Credits Competitive Round Timeline</p> <ul style="list-style-type: none"> “Intent to Apply” added as new application requirement. <p>B. Application and Award Limitations</p> <ul style="list-style-type: none"> Increased “9% Round Award Limitations” given inflation. <p>C. Set Asides and Allocation Targets</p> <ul style="list-style-type: none"> General Set Aside maximum increased given inflation. USDA-Assisted Housing set aside established. <p>F. Evaluation of 9% Credit Competitive Applications</p> <ul style="list-style-type: none"> New Preservation tiebreakers added.
4% Federal Credit – Bond Financed Projects	<p>A. 4% Credits/Bonds Competitive Round Timeline</p> <ul style="list-style-type: none"> New submission requirement “Intent to Apply” added. 60-day deadline for Full Application added. <p>C. Application and Award Limitations</p> <ul style="list-style-type: none"> Provided application and award limitation exception for public housing authorities to expand PHA participation opportunities in 4% Credits/Bonds developments. <p>D. Minimum Bond Allocations by Priority</p> <ul style="list-style-type: none"> Urban Housing Reservation incorporated into QAP (required by GA Code). Broad Geographic Distribution of Bonds: DCA ensures at least one award per Congressional District associated with an application. “Portfolio” Preservation of USDA Housing: \$30 million of bonds reserved for a development preserving hundreds of USDA 515 units, at a range of sites, under one bond issuance. <p>E. Tiebreakers</p> <ul style="list-style-type: none"> New tiebreakers added.
Competitive Application Reviews	<p>B. Threshold Review</p> <ul style="list-style-type: none"> Administrative change that DCA staff will only conduct Threshold Criteria reviews for applications with a high enough score that they are likely to receive an award.
Pre-Application Determinations	Occupied Developments required at the Pre-Application stage.
DCA Experience Award Limitations	Developers with limited DCA program experience or the probationary qualifications determination have additional awards limitations.
Tax Credit Administration	Removed penalty for requesting additional credits.

Section	Changes
Financing Resources – HOME Loans <i>(removed from 2022 QAP)</i>	This section has been removed from the QAP. DCA no longer administers HOME funds through the 9% Competitive Round.
Monitoring and Compliance	A. Construction Monitoring <ul style="list-style-type: none"> Changes to inspection procedures, including but not limited to lowering the default frequency from monthly to quarterly.
Exhibit A: Fees and Deadlines	<ul style="list-style-type: none"> Various adjustments to DCA fees and deadlines. Compliance Monitoring fees removed from the QAP, to be posted on the DCA website.

Threshold Criteria

Section	Changes
Applicability of Threshold Criteria	A. 4% Credits/Bonds Applications <ul style="list-style-type: none"> The following are now required at Competitive Review Application: <ul style="list-style-type: none"> Market Feasibility Additional Requirements for 4% Credits/Bonds Competitive Review Applications Site Information and Conceptual Site Development Plan
Project Feasibility, Viability Analysis & Conformance with Plan	6. Rent <ul style="list-style-type: none"> Applicants can use either rents in effect as of January 1, 2023 or the most up-to-date. 7. Operating Utility Allowance <ul style="list-style-type: none"> Energy Consumption Model provider no longer needs to be approved by DCA during Pre-Application review.
Appraisals	Certain 4% Credits/Bonds developments no longer required to submit an appraisal.
Community Service Facilities (CSF) <i>(removed from 2022 QAP)</i>	Removed section. This section served a purpose when CSFs necessitated DCA Cost Limit waiver assessments. The Cost Limits section was removed from the 2021 to the 2022 QAP.
Rehabilitation Standards	Minimum expenditure per unit increased from \$25,000 to \$35,000.
Architectural Design & Quality Standards	B. Standard Design Options for All Projects: "brick, natural or manufactured stone, or a product that provides a 30-year warranty," instead of 40-year warranty.
Architectural Design & Quality Standards	C. Broadband Access: changed capability to transmit in the upstream direction from 3 Mbps to 5 Mbps.
Experience, Capacity and Performance Requirements for General Partner and Developer Entities	D. Requirements for Performance <ul style="list-style-type: none"> Significant Adverse Events requirements removed from the QAP, as they are also covered in full detail in the Performance Workbook. H. Options for Not Qualified Entities <ul style="list-style-type: none"> Probationary developers with experience comparable to fully qualified developers are permitted to be the Certifying Entity for 4% Credits/Bonds applications.

Eligibility for Credit Under the Preservation Set Asides	<ul style="list-style-type: none"> The same application can now be considered for multiple preservation set asides without needing to submit separately for each set aside. USDA set aside requirements added.
Eligibility for Credit Under the Non-Profit Set Aside	Reference to IRC Section 42(i)(7) regarding Right of First Refusal (ROFR) – Applicants must incorporate into partnership documents an acknowledgement of nonprofit organization’s Right of First Refusal (ROFR) rights under IRC Section 42(i)(7), including but not limited to the federal ROFR purchase price (which is lower than the DCA ROFR purchase price).
Eligibility for HOME Loans under the CHDO Set Aside <i>(removed from 2022 QAP)</i>	Removed section. As described above, DCA no longer administers HOME loans through the 9% Competitive Round.
Additional Requirements for 4% Credits/Bonds Applications	<p>Many of the requirements in this new section existed in the 2022 QAP. The following requirements are new to the 2023 QAP:</p> <ul style="list-style-type: none"> Maximum bond request of \$30 million. Bond Inducement Resolution required with Competitive Review Submission. Applicants awarded DCA bond allocation in 2021 or earlier must have started construction to be eligible under the 2023 4%/Bonds Round.

Scoring Criteria

Section	Changes
Documentation and Justifications	For purposes of Scoring Criteria based on external data sources, developments can qualify based on data available as of November 1, 2022 or data updates conducted prior to the application deadline.
Applicability of Scoring Criteria	<p>B. Site Characteristics Scoring</p> <ul style="list-style-type: none"> Points from sections related to site characteristics will not contribute more than 33 points towards an application score. This replaces the “4% Maximum Points” under the 2022 QAP.
Deeper Targeting/Rent/Income Restrictions	4% Credits/Bonds applications eligible to claim points under both A and B.
Revitalization/Redevelopment Plans	<p>4% Credits/Bonds applications eligible to claim points under both A and B.</p> <p>B. Third-Party Capital Investment</p> <ul style="list-style-type: none"> Radius for Rural Pool applications increased to 1 mile. Applicants can claim points based on either “Investment Amount per Unit” or “Investment Amount.”
Community Transformation	“Defined Neighborhoods” in a Metro Pool cannot encompass the full Local Government Boundary.
Stable Communities	<p>A. Low-Poverty Communities</p> <ul style="list-style-type: none"> For option 5 (for 3 points), lowered rural income threshold from 20% to 30% below Poverty Level. <p>B. Local Health and Economic Indicators</p>

	<ul style="list-style-type: none"> Removed Life Expectancy metric.
Internet Access	<ul style="list-style-type: none"> Added documentation requirements. Removed points tiers (now only one option). Removed Wi-Fi reference to focus language on the policy intent, not specific technology.
Enriched Property Services	<p>B. 3rd Party Contractor</p> <ul style="list-style-type: none"> Clarified that services only need to be paid for if doing so would not lower the debt service coverage ratio below 1.25. Under the 2022 QAP, this policy was posted separately on the DCA website.
Favorable Financing	<p>A. Qualifying Sources for Favorable Financing</p> <ul style="list-style-type: none"> Points tiers allow for qualification based on either “Amount per Unit” or “Qualifying Sources Amount.”
Compliance Performance	<p>Removed tables for Significant Adverse Events, Adverse Circumstances, and DCA Administrative Non-Compliance/Program Non-Compliance. This information is already covered in the DCA Performance Workbook and Questionnaire.</p>
Affordability Loss Risk (removed from 2022 QAP)	<p>This section is replaced by:</p> <ul style="list-style-type: none"> (Scoring Criteria) Rent Advantage Additional tiebreakers related to Preservation in the following Core Plan sections: <ul style="list-style-type: none"> 9% Federal Credit Competitive Round 4% Federal Credit – Bond Financed Projects
Rent Advantage	<p>New section providing points to Preservation applications located in areas for which market rent rates are high relative to Housing Credit rent limits.</p>
USDA “Portfolio” Additional Criteria	<p>Additional scoring criteria for the USDA “Portfolio” set aside in the 4% Credits/Bonds Competitive Round, covering the extent to which the properties:</p> <ul style="list-style-type: none"> Would result in a broad geographic distribution of bonds Are located within counties exhibiting low vacancy rates
Tiebreaker Information	<p>New section providing applicants space to write narratives with substantiating evidence for purposes of a possible tie, covering:</p> <ul style="list-style-type: none"> Readiness to Proceed (for 4% Credits/Bonds applications) Preservation Priority