

**2021 Qualified Allocation Plan:
Substantive Changes Summary**

Core

Section	Proposed Changes
<i>Geographic Pools</i>	<p>Establish three geographic pools (Atlanta Metro, Other Metro, and Rural) to ensure broad geographic allocation of 9% credits and enable regionally specific policies for both 9% and 4% applications.</p> <p>Define Rural Pool solely based on USDA definition of rural areas, removing “Rural Counties” list from <i>Exhibit A to Appendix II</i> in 2020 QAP.</p>
<i>9% Round Set Asides</i>	<p>Establish Rehabilitation and HUD Rental Assistance Demonstration Set Asides to allow for scoring criteria more appropriate to existing occupied properties of priority to DCA.</p>
<i>4% Credits – Bond Financed Projects</i>	<p>Establish baseline framework for competitive 4% tax credit application process once bond financing becomes available to support new applications. Results in 4% credits evenly supporting both new construction and rehabilitation.</p>
<i>Submission Requirements and Award Limitations</i>	<p>Establish limit of no more than one 4% tax credit application per individual developer, with a second application allowed if partnering to incentivize capacity building and lower barriers to entry.</p>
<i>Evaluation of 9% Tax Credit Competitive Applications</i>	<p><u>Tie-breakers:</u></p> <ul style="list-style-type: none"> • “First selected Application” for a Project Team will be determined based on awarding first in Rural Pool selections, Other Metro Pool selections, and lastly Atlanta Metro Pool selections. • New tie-breaker for whichever Local Government Boundary has not received a 9% award for a longer time period. • New tie-breaker for lower Enterprise Opportunity 360 <i>Housing Stability</i> score. • Remove “letter from DCA Portfolio Management” tiebreaker.
<i>Monitoring and Compliance</i>	<p><u>Construction Monitoring:</u> Clarify current and establish new actions DCA will take in the event of significant construction process and quality non-compliance.</p>

Threshold

Section	Proposed Changes
<i>Market Feasibility</i>	Adjustments to market feasibility requirements and applicability regarding capture rates, occupancy, and rent differential to market rents.
<i>Appraisals</i>	Establish DCA right to commission an appraisal for properties submitted under consecutive competitive rounds. If year over year acquisition costs significantly exceed market area growth and said increase impacts tax credit award, DCA may commensurately reduce the tax credit award.
<i>Community Service Facility</i>	Establish submission requirements for applications proposing community service facilities as defined by Section 42. Establish limit that facility costs cannot exceed \$1,250,000 of eligible basis.
<i>Architectural Design & Quality Standards</i>	Require high-speed internet access via Wi-Fi networks in a property common area.
<i>(2020 QAP) Eligibility for Credit Under Rural HOME Preservation Set Aside</i>	This HOME-specific set aside has been removed and replaced with the existing occupied property set asides in <i>Core</i> .
DCA Underwriting Policies	Removed \$20,000 cap on green building consultant fees. Adjusted developer fees to reflect 2019 data.

Scoring

Section	Proposed Changes
<i>Applicability of Scoring Criteria</i>	Denotes which scoring sections apply to which applications based on tax credit type (9% or 4%) and construction type.
<i>Desirable/Undesirable Activities</i>	<p><u>A. Desirable Activities:</u> New scoring options to reflect variation in proximity and amenity type.</p> <p><u>B. Undesirable Characteristics:</u> Remove food desert point deduction for applications that qualify for grocery store points under <i>Desirable Activities</i>.</p>
<i>Community Transportation Options</i>	<p><u>A. Transit-Oriented Development:</u> Remove point opportunity differential based on tenancy.</p> <p><u>B. Access to Public Transportation:</u></p> <ul style="list-style-type: none"> • Allow for regional transit routes to qualify. • Increase Rural transportation access (on-call or fixed-route) points.

<i>Enriched Property Services</i>	Remove Enriched Property Services pending further evaluation of existing services partnerships and potential third-party options for quality assurance.
<i>Quality Education Areas (formerly Place-Based Opportunity)</i>	<p>Quality Education Areas:</p> <ul style="list-style-type: none"> • This section available to all applications regardless of points claimed in other sections. • Schools ineligible if ability to enroll is limited (e.g., competitive application or lottery). • Create additional point option for 7 qualifying grades.
<i>Revitalization/Redevelopment Plans</i>	<p><u>A. Revitalization Plan/Qualified Census Tract:</u></p> <ul style="list-style-type: none"> • Plans adopted within the last 10 years now qualify (previously 5 years). • New point option if local government has demonstrated financial commitment to advancing revitalization plan.
<i>Stable Communities</i>	Add point opportunities based on pool-specific statistics covering health and economic conditions from the Census Bureau and CDC.
<i>Previous Projects</i>	<p><u>A. 15-Years Lookback Period:</u> To qualify for 4-point option most recent award must have occurred prior to 2015.</p>
<i>Favorable Financing</i>	<p><u>A. Qualifying Sources:</u></p> <ul style="list-style-type: none"> • Loans originated by a conventional bank now ineligible. • Points now awarded on a per-unit basis rather than percentage of TDC to dissociate points and underwriting inputs.
<i>Underserved Populations</i>	<p><u>A. Match for DCA Supportive Housing Programs:</u> Up to 5 applicants (and no more than 1 per municipality) receive points based on conduciveness to supporting DCA Housing Assistance programs.</p> <p><u>B. Tenant Selection Preference:</u> Point option for PBRA administrators that gained HUD approval to provide a tenant selection preference for persons with disabilities.</p>
<i>Rehabilitation Scoring Criteria</i>	<ul style="list-style-type: none"> • <i>Occupancy:</i> Points for properties exhibiting high occupancy rates. • <i>Tax Credit Restrictions:</i> Points for existing tax credit properties at risk of losing affordability restrictions. • <i>Property Age:</i> Points for properties placed in service more than 20 years ago. • <i>Property Size (9% only):</i> Points for smaller properties less likely to be able to utilize the 4% tax credit program.
<i>Readiness to Proceed for 4% Credit Applications</i>	Points for applications further along in the pre-development process to ensure scarce tax-exempt bonds go to developments ready to utilize an allocation.

