



4% Credits/Bonds Competitive Round

Supplement for Listening Session Discussion

This document is intended to provide an overview of key questions, discussions, and changes under consideration relating to the 4% Credits/Bonds Competitive Round (“4%/Bonds Round”).

For context, DCA recommends reviewing [GA Code § 36-82-195. Policy Guidelines for Making Allocations](#), which is the primary state guidance for allocating bonds on a selective basis.

4%/Bonds Structure and Process

- DCA does not currently have reason to believe that bonds will be less over-subscribed in the next 1-2 years. DCA plans to maintain a competitive allocation structure in the 2024 QAP.
- Please provide any comments on the current structure of application stages: Competitive Review Submission, Pre-Application, and Full Application.
- Please comment on the 1:1 ratio of New Supply to Preservation awards

Geographic Distribution

- DCA must consider broad geographic distribution in allocating bonds (see GA Code § 36-82-195). Please provide comments on the current QAP strategy of dividing the state into 14 boundaries of equal population (Congressional Districts) and ensuring a minimum award amount.
- Please provide comments to help inform our understanding of what types of developments can be best supported by 4%/Bonds outside of the largest urban areas.

Portfolio Development

- Please provide any comments on the USDA portfolio preservation set aside.
- DCA is considering a set aside for small-property new construction in rural communities on a portfolio basis.

Readiness to Proceed

- DCA is considering dropping all Threshold reviews from the Competitive Review Submission, to be replaced by a Scoring section, “Readiness to Proceed,” for which staff confirm certain key documents are complete but do not conduct a full review (e.g., staff confirm that a complete environmental report was submitted, but the full Threshold review occurs only if selected).
- Please comment on other ways that DCA could assess “readiness”, with consideration for:
 - Aspects of “readiness” that are not covered in existing Threshold sections
 - Aspects of “readiness” that, if incentivized, would not unduly raise development costs expended prior to being selected for an award

Local Issuer Requirements

Please comment on:

- the requirement to include an inducement resolution in the competitive application
- whether additional designations from the local issuer should be required or incentivized

Additional Requirements for 4%/Bonds Applications

Please comment on “Additional Requirements for 4% Credits/Bonds Applications,” in particular:

- The \$30M bond request limit
- The requirement to have closed financing and commenced construction on any developments for which a Letter of Determination was received 2 calendar years prior

Scoring Criteria

- The 2023 QAP attempts to minimize overlap between 9% and 4%/Bonds Scoring Criteria by lowering points for site-based Scoring in the 4%/Bonds Round (see “Site Characteristics Scoring for 4% Credits/Bonds New Supply Competition”). Please provide any early insights on whether 2023 QAP Scoring Criteria are sending 9% and 4%/Bonds applicants to the same sites.
- DCA is considering implementing a minimum score for 4%/Bonds applications.
- Please comment on any development types that you believe should be a priority for DCA’s 4%/Bonds Round but are not competitive under the 2023 QAP.
- Please provide any other comments on the 2023 QAP approach to Scoring 4%/Bonds applications.

Additional Bonds Request Policy

DCA published the Additional Private Activity Bond Issuance policy ([click here](#)) to ensure previously awarded 4%/Bonds developments could meet the 50% test. Please comment on whether any changes in the QAP should be made to address the associated issues at an earlier stage.