



2017 Qualified Action Plan Public Hearing

April 10, 2017 – 6:30 PM

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Background



- The QAP is the federally mandated state plan for the allocation of tax credits allotted to the District of Columbia by the Federal Low Income Housing Tax Credit (LIHTC) program
- Governs the allocation of competitive 9% tax credits and administration of 4% tax credits
- Outlines allocation criteria based on federal requirements and the District's priority housing needs
- DHCD administers the LIHTC program on behalf of the District

Overview



- Draft QAP
 - Published on March 17, 2017
 - 30-day public comment period ends April 17, 2017
- Substantial revisions
 - Last QAP published in 2012
- Threshold and scoring criteria align with DHCD's Consolidated Affordable Housing RFP

Threshold Eligibility Requirements



THRESHOLD ELIGIBILITY REQUIREMENTS	Applicable?	
	Production	Preservation
<i>Project Criteria</i>		
Basic Eligibility	✓	✓
Permanent Supportive Housing	✓	NA
Site Control	✓	✓
Zoning	✓	✓
<i>Financial Criteria</i>		
Development Budget and Operating Proforma	✓	✓
Financing Letters	✓	✓
Financial Information for Operational Projects	NA	✓
<i>Applicant Criteria</i>		
Development Team Thresholds	✓	✓
<i>Reports and Plans</i>		
Appraisal	✓	✓
Market Study	✓	✓
Environmental and Physical Needs Assessments	✓	✓
Architectural Plans and Cost Estimates	✓	✓
<i>Compliance Criteria</i>		
Green Design and Building	✓	✓
Relocation and Anti-Displacement Strategy	✓	✓
General Compliance	✓	✓
<i>LIHTC-Specific Requirements</i>		
Year 15 Plan	✓	✓



Threshold – Highlighted Changes



- Year 15 Plan
 - Plan for end of initial 15-year compliance period



Selection Criteria



- Applications for 9% tax credits are competitively scored

Underwriting Scoring	Potential Points
Financial and Economic Feasibility	30
Development Team Capacity and Experience	30
Site Selection and Design Characteristics	5
Market Demand and Need Analysis	10
Acquisition Cost Reasonableness	5
Compliance with DHCD Cost and Funding Guidelines	10
Leverage	10
Underwriting Scoring Subtotal	100

Selection Criteria – Prioritization Scoring



<i>Demographic Criteria</i>	
Permanent Supportive Housing and TAH	10
Supportive Services Plan	5
Family-Oriented Units	10
Senior Housing/Artist Housing	5
Income Levels Served	7
Section 8 and Public Housing Waiting Lists	1
<i>Applicant Criteria</i>	
Non-Profit Participation and Right of First Refusal	5
TOPA Preference	5
<i>Location Criteria</i>	
Transit Proximity	5
Economic Opportunity Targeting	14
<i>Project Criteria</i>	
Preservation	5
Mixed-Income	10
Preference for Projects with District Land	8
Net Zero Energy or Living Building Challenge Preference	5
Extended Use Restriction	5
Prioritization Scoring Subtotal	100



Selection Criteria – Highlighted Changes



- QAP Scoring aligns with DHCD's Consolidated Affordable Housing RFP

