



# **2017 Qualified Allocation Plan**

## **Project Plan**

**January 27, 2016 Update**

**IMPORTANT DISCLAIMER: THIS PROCESS IS INTENDED TO ENABLE STAKEHOLDERS AND STAFF TO CONTRIBUTE IDEAS AND CONCERNS TO BE CONSIDERED IN THE DEVELOPMENT OF THE QAP FOR 2017. THE OFFICIAL PUBLICATION OF A BOARD APPROVED DRAFT FOR PUBLIC COMMENT WILL STILL OCCUR IN THE FALL OF 2016.**

UPDATES TO THE PROJECT PLAN FROM THE PREVIOUS PUBLICATION ARE UNDERLINED

## **INTRODUCTION**

This effort is contemplated in order that the 2017 Qualified Allocation Plan ("QAP") will be clear and understandable, so that all stakeholders will know what to expect through the 2017 9% cycle. The ultimate goal for this project is a QAP that clearly articulates TDHCA housing policy as established by the Governing Board through threshold and scoring criteria, as well as meeting all applicable state and federal requirements.

The process will include regular monthly meetings on the day before Board meetings, outreach efforts so that stakeholders who are not able to attend meetings will have an opportunity for input, focused meeting with stakeholders with specific needs and insight, and accessing subject matter experts along with data and reports from multiple sources.

## **PROJECT MANAGEMENT APPROACH**

The Multifamily Finance Division ("the Division") staff will lead the project, including scheduling, accessing necessary resources and compiling results. The Division will provide periodic reporting to the Board so they are regularly updated on progress and have an opportunity for input throughout the process. Staff from other TDHCA divisions may be asked to participate as needed throughout.

Stakeholders, including the development community, advocates, residents of TDHCA properties, and subject matter experts, will be asked to participate in meetings, surveys, or other forms of public comment and discussion in order that a clear assessment of varying needs and priorities can be compiled. That assessment, along with applicable statutory and regulatory requirements, will be used to draft amendments and changes to the 2017 QAP.

It is anticipated that the process will continue through July 2016, and that a staff draft QAP will be available in late summer 2016. Specific possible sections of the QAP may be drafted and made available for informal comment throughout the process, in order to solicit discussion of those items.

## **PROJECT SCOPE**

The scope of the project will include planning and development of specific topics to be considered for amendment in the 2017 QAP, and potentially years later. While it is anticipated that the process will be complete prior to publication of the staff draft and presentation of the Amended QAP to the Board in September 2016, this is an ever evolving process and there may be items that will be continued onto subsequent years. The chief focus of the project is the 2017 QAP, but other parts of the Multifamily Rules may be included in the project as needed.

Due to fairly limited time and resources, the project will rely heavily on data gathered from external sources rather than original material. Sources may include the Analysis of Impediments, HUD's AFFH datasets and maps, other information available through HUD's Office of Policy Development and Research, Census data, data from TDHCA Compliance Monitoring and Tracking System ("CMTS"), local sources, and others.

Division staff will be working on related topics as they impact internal processes, as the project continues. Staff input regarding evaluation and scoring of items, past experience and identified needs will be incorporated into the project.

*Initial topics proposed for discussion:*

1. The current QAP Scoring structure is divided into four groups - does this structure provide the best method to evaluate Applications? Does it reflect the four broad policy groupings that ought to drive the QAP?

Physical Development, including location, amenities, unit mix,  
Serving tenants in need  
Efficient use of resources and accountability  
Community engagement

2. How can the QAP best support Applicants in complying with Fair Housing Requirements?

3. How can the widely varying needs across the State (as well as within rural and urban subregions) be best accommodated within one scoring structure?

4. How to maximize or optimize benefit to tenants?

5. What issues are raised by the way the QAP treats quality of schools or crime statistics?

6. There were some changes to the 2016 QAP that were suggested in public comment but were too big of a change to consider within that process. Which of them merit additional work and possible inclusion?

The items that drew the largest number of comments from the 2016 QAP Public Comment process were chosen as the topics to be taken up at the first four 2017 QAP Planning meetings. Topics for later meetings will be determined as the process progresses.

1. Concerted Revitalization Plans

2. Aging in Place and Elderly Development

3. High Opportunity (separated into two meetings addressing location and population respectively)

## **SCHEDULE BASELINE**

The initial schedule contemplates meetings in Austin the day before the TDHCA Governing Board meeting. Specific topics to be discussed at each meeting will be mapped out prior to the January 27 meeting, based on input from stakeholders and staff priorities. Additional meetings may be scheduled in order to accommodate specific topics, or in locations other than Austin.

At the initial 2017 QAP Planning meeting, it was decided that at least four meetings would be held outside of the regular monthly meeting schedule. The topics for discussion at those meetings are Supportive Housing, Rural Development, Preservation and Historic Rehabilitation. Staff is suggesting an additional meeting in March to debrief on the Application Process. Meetings and Public Hearing as required by Statute to discuss and gather comment on the National Housing Trust Fund will be scheduled separately over this time period.

### 2017 QAP Planning Process - Tentative Schedule

Title	Date	Description
1 <sup>st</sup> 2017 QAP Meeting	12/16/15	Initial presentation of project plan to stakeholders, gather input regarding plan
TDHCA Board Meeting	12/17/15	
2 <sup>nd</sup> 2017 QAP Meeting	1/27/16	<u>Concerted Revitalization Plan - objective measures, local issues, rural/urban, employment, access Location: Thomson Conference Center Time: 1:30-4:30</u>
TDHCA Board Meeting	1/28/16	
3 <sup>rd</sup> 2017 QAP Meeting	2/24/16	<u>Aging in Place, Elderly developments Location: Stephen F. Travis Building, Room 170 Time: 1:30 to 4:30</u>
TDHCA Board Meeting	2/25/16	<u>Presentation to the TDHCA Governing Board regarding progress on planning, and initial discussion regarding Concerted Revitalization Plans</u>
4 <sup>th</sup> 2017 QAP Meeting	3/30/16	<u>High Opportunity 1 - Location issues Rural/Urban, Geographic Measures, Gentrification, Changing Neighborhoods, Access, Public Resources, Other measures Location: Stephen F. Travis Building, Room 170 Time: 1:30 to 4:30</u>
TDHCA Board Meeting	3/31/16	<u>Presentation to the TDHCA Governing Board regarding progress on planning, and initial discussion regarding Aging in Place and Elderly developments</u>
5 <sup>th</sup> 2017 QAP Meeting	4/27/16	<u>High Opportunity 2 - Population Issues Employment, NIMBY-ISM, Poverty levels, Schools, Public Resources, Other measures Location: Stephen F. Travis Building, Room 170 Time: 1:30 to 4:30</u>
TDHCA Board Meeting	4/28/16	<u>Presentation to the TDHCA Governing Board regarding progress on planning, and initial discussion regarding High Opportunity location issues</u>
6 <sup>th</sup> 2017 QAP Meeting	5/25/16	<u>(staff suggestion) Chapter 10 changes Location: tbd in Austin Time: 1:30-4:30</u>
TDHCA Board Meeting	5/26/16	<u>Presentation to the TDHCA Governing Board regarding progress on planning, and initial discussion regarding High Opportunity population issues</u>

7 <sup>th</sup> 2017 QAP Meeting	6/15/16	<u>Topic: tbd Location: tbd in Austin</u> <u>Time: 1:30-4:30</u>
TDHCA Board Meeting	6/16/16	<u>Presentation to the TDHCA Governing Board regarding progress on planning, and initial discussion regarding Chapter 10 changes</u>
8 <sup>th</sup> 2017 QAP Meeting	6/29/16	<u>Topic: tbd Location: tbd in Austin</u> <u>Time: 1:30-4:30</u>
TDHCA Board Meeting	6/30/16	<u>Presentation to the TDHCA Governing Board regarding progress on planning, and initial discussion regarding 7<sup>th</sup> QAP meeting topic</u>
9 <sup>th</sup> 2017 QAP Meeting	7/13/16	<u>Topic: tbd Location: tbd in Austin</u> <u>Time: 1:30-4:30</u>
TDHCA Board Meeting	7/14/16	<u>Presentation to the TDHCA Governing Board regarding progress on planning, and initial discussion regarding 8<sup>th</sup> QAP meeting topic</u>
10 <sup>th</sup> 2017 QAP Meeting	7/27/16	<u>Topic: tbd Location: tbd in Austin</u> <u>Time: 1:30-4:30</u>
TDHCA Board Meeting	7/28/16	<u>Presentation of 2016 9% Award recommendations and initial discussion regarding 8<sup>th</sup> QAP meeting topic</u>
Publication of staff draft QAP	8/8-12/16	Publication of initial staff draft, tentatively the 2 <sup>nd</sup> week of August
11 <sup>th</sup> 2017 QAP Meeting	8/24/16	Gather final input on staff draft 2017 QAP
TDHCA Board Meeting	8/25/16	
TDHCA Board Meeting	9/8/16	Amended QAP presented for initial approval
2017 QAP Public Comment period		
TDHCA Board Meeting	10/13/16	
TDHCA Board Meeting	11/10/16	Final QAP presented for approval
Governor review	12/1/16	
2017 Application workshops	12/5-9/16	Tentatively planned first full week of December, 2016
Texas Register publication		
2017 QAP and Multifamily rules final		

## CHANGE MANAGEMENT PLAN

As much as practically possible, contemplated amendments will be presented to stakeholders after they have been thoroughly reviewed by TDHCA, including Legal Services, for compliance with statutory and regulatory requirements and compliance with TDHCA Board housing policy. As things progress it is likely that the Board will be asked to dig into different policy objectives and weigh in on the objectives it directs staff to pursue. Possible amendments that impact scoring will be added to a draft Scoring Matrix, so that impacts can be fully understood in context as they are developed and considered.

In the case of proposed changes that will significantly impact the development process, TDHCA staff may suggest a phased approach to implementation so that stakeholders are able to effectively plan for implementation.

Changes to the 2017 QAP and other Multifamily Rules will be discussed at Application Workshops in early December 2016, so that Applicants are able to understand and effectively manage the development process.

This Project Plan will change over the course of 2016, as needs or priorities are identified and addressed. Schedules regarding individual topics may expand or compress as necessary to accommodate stakeholder input and staff priorities.

## COMMUNICATIONS MANAGEMENT PLAN

The Communications Management Plan sets the communications framework for this project. It will serve as a guide for communications throughout the life of the project and will be updated as communication requirements change. This plan identifies and defines the roles of stakeholders, staff and the Board as they pertain to communications. It also includes a communications matrix which maps the communication requirements of this project, and communication conduct for meetings and other forms of communication.

Communication Type	Description	Format	Participants/ Distribution	Deliverable
Periodic Status Report	Summary of project status	Website	Multifamily Finance	Status Report
Monthly Project Meeting	Meeting to discuss scheduled topic	In Person	All	
Special Project Meeting	Meeting to discuss specific topics	In Person	All	
Status Report to Governing Board	Report on Project progress, request Board input	In Person	TDHCA staff and Board	Board report, Action Request as needed
Website	Posting of Meeting	Website	Multifamily Finance	Resource for Project participants

	Agendas and Materials			
Forum	Opportunity for stakeholders to provide input	Website	All	Input from all interested stakeholders
Draft 2017 QAP and Public Comment	Results of 2017 QAP Planning Project and any comment by members of the public	Website, Board Book, Texas Register	All	Final 2017 QAP

Communications Conduct:

Meetings:

The Project Manager will distribute a meeting agenda at least two days prior to any scheduled meeting and all participants are expected to review the agenda prior to the meeting. During all project meetings the timekeeper will ensure that the group adheres to the times stated in the agenda and the recorder will take all notes for distribution to the team upon completion of the meeting. It is imperative that all participants arrive to each meeting on time and all electronic communication devices should be turned off or set to vibrate mode to minimize distractions.

Informal Communications:

While informal communication is a part of every project and is necessary for successful project completion, any issues, concerns, or updates that arise from informal discussion between TDHCA staff and stakeholders will be communicated to the larger group so that the appropriate action may be taken.

**COST MANAGEMENT PLAN**

This project may impact costs in three primary areas: for TDHCA in organizing and staffing the effort, and for stakeholders that may travel to meetings, and ultimately to the development community as scoring items may impact development costs.

Financial feasibility will continue to be the highest scoring QAP item, as required by statute.

As described in the Communications section, the project will provide opportunities for stakeholders that are not able to attend meetings to provide input. TDHCA staff plan to conduct meetings in geographic areas outside of Austin as travel schedules allow.

TDHCA has limited resources available to rent meeting space, provide hard copy materials, or travel to areas outside Austin. Wherever possible, meeting spaces that are available without charge will be utilized. Meeting participants will be requested to provide their own copies of materials.

## **PROJECT SCOPE MANAGEMENT PLAN**

Scope management will be the responsibility of the Multifamily Finance Division Director, with review and approval by the Deputy Executive Director, General Counsel and Executive Director. Approval and acceptance of the project results, in the form of the 2017 QAP and Multifamily Rules, rests with the TDHCA Governing Board. Input from other TDHCA divisions, such as Asset Management or Real Estate Analysis, which may be impacted by the initial scope and subsequent change will be consulted throughout the process. The Multifamily Finance Division staff will be responsible for updates to the Project Plan and related documents.

While stakeholder input is crucial to the successful completion of the 2017 QAP project, TDHCA staff must endeavor to accommodate the needs and priorities of all groups.

## **SCHEDULE MANAGEMENT PLAN**

Schedule management, including completion of milestone items, will be the responsibility of the Multifamily Finance Division Director, with review and approval by the Deputy Executive Director, General Counsel and Executive Director.

Meeting schedules and topics will be regularly posted to the TDHCA website. Activity duration estimates will be an important part of the scheduling process. Once the initial schedule has been established, necessary resources will be assigned, and the results reviewed and approved prior to posting.

## **QUALITY MANAGEMENT PLAN**

Quality management, including ensuring all tasks, processes, and documentation are compliant with the plan, will be the responsibility of the Multifamily Finance Division Director, with review and approval by the Deputy Executive Director, General Counsel, and Executive Director.

All Multifamily Finance Division staff will play a role in quality management throughout the life of the project. Regular reviews of proposed QAP amendments for reasonable applicability and impact on the review process will be conducted as the project progresses.

The stakeholders will be responsible for assisting the TDHCA staff in the establishment of acceptable quality standards. They will also provide input on the reasonable applicability of proposed amendments, and communicate any concerns regarding quality to the Multifamily Finance Division Director.

## **RISK MANAGEMENT PLAN**

The approach for managing risks for the 2017 QAP Project includes a methodical process by which the project team identifies the various risks. Every effort will be made to proactively identify risks ahead of time in order to implement a mitigation strategy.

Upon the completion of the project, during the closing process, the TDHCA staff will analyze each risk as well as the risk management process. Based on this analysis, any improvements that can be



made to the risk management process for future projects will be identified and captured for application to future QAP planning processes.

## **STAFFING PLAN**

Key TDHCA staff members working on the 2017 QAP Planning Process include:

### **Executive Team**

Executive Director

Deputy Executive Director

General Counsel

Chief of External Affairs

### **Multifamily Finance Division**

Multifamily Finance Director

Multifamily Finance Manager

Housing Tax Credit Administrator

Multifamily Information and Policy Administrator (working title, vacant position)

### **Asset Management**

Director of Asset Management

### **Compliance**

Chief of Compliance

### **Real Estate Analysis**

Director of Real Estate Analysis