



Tennessee Housing Development Agency

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PRELIMINARY PROPOSED CHANGES 2021 LOW-INCOME HOUSING CREDIT QUALIFIED ALLOCATION PLAN

The following are preliminary proposed changes for the Draft 2021 Low-Income Housing Credit Qualified Allocation Plan (the "Draft 2021 QAP"). These preliminary proposed changes may be accepted, rejected, or modified in any respect. Changes or modifications not currently reflected herein may also be made. By posting these preliminary proposed changes, no representations are being made about any item that may be included, excluded, or modified in the preparation and approval of the 2021 QAP.

Written comments regarding the preliminary proposed changes will be accepted through Sunday, April 26, 2020. Please limit comments to a maximum of 6 single-sided pages, including attachments, appendices, exhibits, etc.

Please email comments to TNAallocation@THDA.org using "2021 QAP COMMENT" as the subject.

This list is not prioritized

1. Revert to a 1-year QAP format.
2. Update Total Development Cost limits [see *Section 3*].
3. Restructure New Construction Regional Pools [see *Section 3*]:
 - a. Statewide pool for large urban/suburban counties;
 - b. Statewide pool for other urban/suburban counties;
 - c. Statewide pool for at-risk and distressed counties; and
 - d. Statewide pool for the remainder of the state.
4. Change requesting a site change **from Minor SAE to Major SAE** [see *Section 6*].
5. Modify the Public Housing Authority Set-Aside so that first priority is assigned to proposed developments that (a) involve Rental Assistance Demonstration ("RAD"), (b) are covered by a Community Revitalization Plan ("CRP"), and (c) will be the **second or subsequent** RAD and CRP development under the CRP. Second priority is assigned to proposed developments that (a) involve RAD, (b) are covered by a CRP, and (c) will be the **first** RAD and CRP development under the CRP [see *Section 10*].
6. Add a new construction scoring criterion based on the economic security, education, and mobility components of Opportunity360 [<https://www.enterprisecommunity.org/opportunity360/measure>].

7. Add a new construction scoring criterion favoring proposed developments with the lowest ratio of Housing Credit requested to the imputed number of persons to be served by the development (1.5 persons per 1 BR, 3.0 persons per 2 BR, 4.5 persons per 3+ BR).
8. Add a rehabilitation scoring criterion favoring proposed developments with the highest average occupancy percentage over the prior 3 years.
9. Add a rehabilitation scoring criterion favoring proposed developments with the highest ratio of post-rehabilitation LIHC units to the sum of the currently existing affordable units in the county and the LIHC and MTBA “pipeline” units. Within this criterion, favor proposed developments with soon-to-expire HAP contracts.
10. Delete points associated with 60 Percent Income Averaging Test [see *Section 14*].
11. Reduce points associated with Project Location for developments proposing rehabilitation of existing multifamily housing [see *Section 14*].
12. Change competitive scoring criteria for Public Housing Authority Waiting Lists and Energy Efficiency to threshold and minimum new construction and rehabilitation requirements [see *Section 14*].
13. Delete computer systems option from scoring criterion for Serving Resident Populations with Special Housing Needs and scoring criterion for Serving Resident Populations with Children [see *Section 14*].
14. Clarify that if property control involves a ground lease, the fee owner must join the Land Use Restrictive Covenant to encumber the fee simple interest [see *Section 13*].
15. Non-substantive changes including (without limitation) correction, clarification, rewording, reformatting, renumbering, and relocating text within the document.